

AGRICULTURAL OUTLOOK

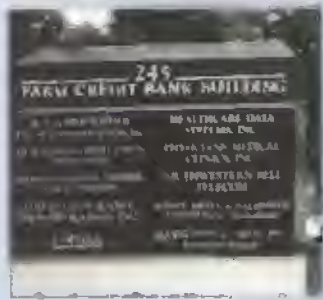
Economic Research Service
United States Department of Agriculture •

March 1994

FILE COPY

EUROPEAN UNION
Expansion on the Horizon

AGRICULTURAL OUTLOOK



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Farm Lending...Ag Aid to FSU...New Additions to the EU... & a New Farm Productivity Index

Farm Credit Ample

Total farm debt is expected to increase 1-2 percent in 1994, and farmers will generally have no difficulty acquiring credit from commercial banks and the Farm Credit System (FCS), the largest suppliers. Farm real estate debt is expected up slightly. A slight increase is also expected in farm production loans. Commercial banks, the largest farm real estate lenders, experienced a 4.7-percent increase in these loans in 1993—the 11th consecutive year of gains.

The strong financial position of most farm lenders in 1994 should enable them to absorb moderate losses from last year's flood and drought. Many commercial bankers in the flood-affected region are assisting their customers through deferred loan payments and loan restructuring, and the FCS is addressing drought and flood problems through loan servicing options. Farm lenders' strong financial position in 1994 depends partly on a return to more normal weather in drought- and flood-stressed areas.

Productivity Index Overhauled

USDA's Economic Research Service has switched to a new indexing approach for calculating agricultural productivity, and has completely revised its U.S. ag productivity series from 1948 to the present. Among the improvements is the use of better data and methods to calculate labor and capital, and a means of accounting for quality changes in inputs over time.

Perhaps more important, the new indexing method for measuring agricultural productivity growth lays the groundwork for the second phase of the revision—incorporating an environmental component. The current refinements in measuring agricultural productivity provide a better statistic for understanding agriculture's contribution to overall economic growth, and the planned revisions will add a mechanism for taking agricultural pollution into account.



FSU Ag Aid Recast

International agricultural assistance to the former Soviet Union (FSU) is likely to decline in the near future, and the focus to shift in favor of technical support and investment, rather than credits and food aid. The change reflects a reassessment of the needs of the FSU countries as economic reforms proceed. Since 1990, assisting countries have earmarked around \$25 billion of direct agricultural aid for the region—over half has already been disbursed—and the U.S. has provided the most. Four-fifths of this direct aid is in the form of government-backed credits, with concessional loans, donations, and technical support accounting for the remainder.

Strawberry Fields

Americans have doubled their strawberry consumption over the last two decades, and among U.S.-grown fresh fruits, strawberries are now second only to apples in value. Improved varieties, routine soil fumigation, the concentration of production in California (80 percent of the U.S. crop), and California's switch to an annual cropping system have raised

yields and decreased costs. As a result, retail prices have remained relatively stable during the last two decades.

The outlook for the 1994 strawberry crop is favorable—California production is likely to match last year's, and the Florida crop is up substantially. The value of the U.S. crop is likely to set another record, as it has almost every year for the last 20. In the longer term, however, the U.S. strawberry industry could face problems in maintaining such growth, as use of a key soil fumigant—methyl bromide—is phased out by the Environmental Protection Agency, with no substitute yet in the wings.

EU Enlargement Ahead

The European Union (EU) could add Austria, Finland, Sweden, and Norway to its roster of members by the beginning of next year if negotiations conclude on schedule. Agriculture has been among the most contentious areas of EU membership negotiations—which began in April 1993 with Norway and in February 1993 with the other three countries. Agriculture, despite its small share of trade between the EU and the four applicant countries, is a significant issue because these countries fear the depopulation of their more remote Arctic and alpine villages once free trade in agricultural products with the EU is achieved. While the addition of these four countries is not expected to affect U.S. trade significantly, several small niche markets for U.S. specialty products may shrink, and market access for U.S. meat may be limited in these countries.

The EU also agreed last year to eventual membership of six Central and Eastern European (CEE) countries—Association Agreements with the six countries were signed in the early 1990's—although membership could be a decade away. Unlike the four memberships currently being negotiated, enlargement of the EU to include six CEE's would greatly expand EU agricultural output.

Agricultural Economy



Building a Better Ag Productivity Index

Economists responsible for developing economic statistics, including those who calculate gross domestic product (GDP) for most of the world's economies, have begun to grapple with the question of how to measure and incorporate into their statistics pollution and other economic activities which bypass formal markets.

USDA's Economic Research Service (ERS) has switched to a new indexing approach for calculating agricultural productivity, and has completely revised its U.S. ag productivity series from 1948 to the present. The new index addresses and corrects serious, longstanding shortcomings in the old agricultural productivity series, and the new numbers can be cited with far more confidence. Perhaps more important, the switch to a new indexing method for measuring agricultural productivity growth lays the groundwork for the second phase of the revision—incorporating an environmental component.

Components of the agricultural productivity index—U.S. agricultural output and aggregate farm input—continue to provide the basis for measuring gross farm product for the National Income and Product Accounts. The current refinements in measuring agricultural productivity provide a better statistic for understanding agriculture's contribution to overall economic growth, and the planned revisions will provide an understanding of how farm productivity is affected by the adoption of "green" technologies.

Identifying & Addressing Shortcomings

The agricultural productivity index is constructed as the ratio of an index of aggregate outputs, including all crops and livestock, to an index of all inputs, including land, labor, equipment, energy, and chemicals. Growth of total factor productivity—the growth in output not due to growth in input—is calculated as the rate of growth of aggregate output minus the rate of growth of aggregate input.

The newly revised productivity series shows an average rate of agricultural pro-

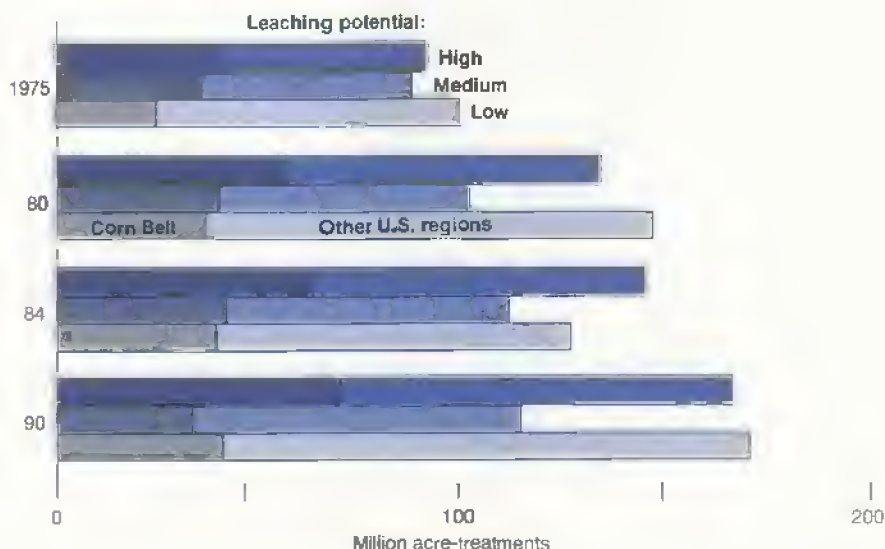
ductivity growth of 2.11 percent annually during the postwar period compared with 1.93 percent under the old calculation.

The new ag productivity series corrects three serious shortcomings in the way the old index was constructed. First, direct sampling of the actual hours of labor committed to agricultural production is now used to construct measures of labor input. This series replaced the less accurate procedure of estimating quantities of labor required to perform various production activities.

Second, the procedures for converting capital stock to service flows have been adjusted. The capital stocks are the cumulation of all past investments adjusted for discards of worn-out assets, and for the loss of efficiency of assets over their service life. Service flows are assumed to be directly proportional to the capital stock.

Third, some quality changes occurring in inputs over time have been accounted for in the new productivity series. For example, the imputed wages of self-employed farmers have been adjusted for the increasing level of formal education and other demographic changes in the farm-labor workforce.

Environmental Component in Revised Index Will Include Pesticide Use on Major Field Crops



Corn, soybeans, wheat, and cotton. Acre treatment = one acre treated one time with a single pesticide. Pesticides with high potential for leaching include atrazine; medium-potential pesticides include 2, 4-D, and low-potential pesticides include glyphosate.

Quantifying Environmental Impacts

An even more serious shortcoming of the old index may have been the omission of the impacts of agricultural production on the environment. Work on the second phase of revising the agricultural productivity index—to incorporate agricultural pollution into the calculations—is already underway. The shift to the alternative indexing method for calculating agricultural productivity has set the stage for the new framework which includes agricultural pollution.

The new indexing procedure allows outputs that are undesirable—such as water contamination from pesticides and fertilizers—to be included in the calculation by assuming that it is costly to dispose of these outputs. This assumption implies that resources are diverted away from production of desirable outputs. The disposal of water pollutants from agricultural production, for example, will simultaneously reduce the potential level of crop and livestock production, since disposal will not be free.

An indirect measure of the cost of reducing environmental impacts is obtained by comparing agricultural productivity growth that reflects the effects of agricultural pollution, with productivity growth that ignores environmental effects. This, in turn, will be used to calculate the change in farm income when undesirable environmental effects are explicitly accounted for. Since the contamination of ground- and surface water from application of agricultural chemicals has a measurable negative environmental impact, the "shadow price" of these undesirable outputs will be negative.

Indicators of ground- and surface water contamination from chemicals used in agricultural production, and trends over regions and over time in factors that are known to be important determinants of chemical leaching and runoff, are being used to calculate new indexes for environmental contamination. The determinants include the intrinsic leaching potential of soils; cropping patterns;

chemical use; and annual rainfall and its relationship to surface runoff and to percolation through the soil. Consequently, the indexes of undesirable outputs that are being estimated represent changes over time and over regions in the potential for agrichemical contamination of water resources. These changes are assumed to be useful proxies for actual contamination.

Four indexes of "bad" outputs are being compiled:

- pesticides in groundwater,
- pesticides in surface water,
- nitrates in groundwater, and
- nitrates in surface water.

The new indexing approach incorporates the diversity of soil and climatic conditions across the U.S. into base-year environmental weights by estimating intrinsic vulnerability factors for each of the 3,041 counties in the U.S. These environmental weights are converted to indexes of pesticide contamination using county-level crop production statistics and the best available pesticide use estimates by crop and by state or county. Indexes of nitrate contamination are constructed by multiplying county-level estimates of excess nitrogen from crop and livestock production by the county-level environmental weights.


The pesticide leaching index was derived by adapting the field-level screening procedure used by USDA's Soil Conservation Service (SCS) to help farmers evaluate the potential for pesticide loss from a field, and extending the procedure to the national level. The U.S. pesticide leaching index reflects the land use and other site-specific characteristics of about 800,000 "representative fields," which are based on USDA's 1982 National Resources Inventory (NRI) data.

Current cooperative research with SCS and the Environmental Protection Agency will provide the information required to extend the environmental indexes over time. The myriad of chemicals used in crop production have also been formed into indexes of the potential for water contamination across regions, with 1982 as the base year. These indexes are adjusted prior to and after 1982 based on changes in chemical loadings, types of chemicals used, and planted crop acres.

Other measures of outputs and inputs needed to estimate total factor productivity growth are calculated only as state aggregates, so each of the four "bads" will be aggregated to the state level. Since changes in fertilizer and pesticide use, environmental loadings from these chemicals, and the computed environmental weights vary dramatically by state and region, this aggregation will be the last step in the index construction in order to take into account the geographic diversity of the potential for water contamination.

Preliminary estimates of the four "bad" indexes will be based on four major crops (corn, soybeans, wheat, and cotton) which account for the bulk of agricultural pesticide and fertilizer use in the U.S. Also, livestock will be included in estimates of residual nitrogen.

In this second phase of revising the agricultural productivity index—incorporating an environmental component—only nitrogen and pesticides will be reflected, and the productivity index will be revised for the period 1960-91 using 1982 and 1992 as base years. This new framework is broad enough ultimately to include other crops and other environmental factors (such as phosphates and soil erosion), and to be extended into the future.

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Agricultural Economy

Livestock, Dairy & Poultry Overview

Total meat production is expected to reach record highs in 1994. Pork is the single exception to this year's expansion in meat production. Plentiful meat supplies should keep pressure on wholesale and retail prices during 1994. And combined with forecasts of higher feed costs through most of 1994, this should put net returns to producers below last year's.

Egg production is also expected to expand, and prices are forecast to drop. Milkfat use is expected to increase about 2 percent in 1994, while skim-basis sales will be only slightly larger than a year before.

Beef Supplies Continue Expanding...

First-quarter 1994 beef production is expected to be well above the weather-reduced levels of a year earlier. Feedlot inventories are likely to remain above a year earlier at least through early spring. Fed cattle prices during the first quarter are expected to average \$6-\$10 per cwt

below last year and show only modest seasonal price strength toward the second quarter.

- Cattle-on-feed inventories on January 1 were the largest for this date since 1979.
- January cattle slaughter was 3 percent higher, and dressed commercial slaughter weights were up over 20 pounds per head from a year earlier.
- Beef production in January was about 7 percent above a year earlier, and output for the quarter about 6 percent above first-quarter 1993.
- Choice fed steer prices in Nebraska during January averaged near \$72 per cwt, down from \$79 a year earlier.
- Choice retail beef prices in December were \$2.88 per pound, little changed from a year earlier. Price declines are expected this spring as supplies remain plentiful.

... While Pork Output To Decline

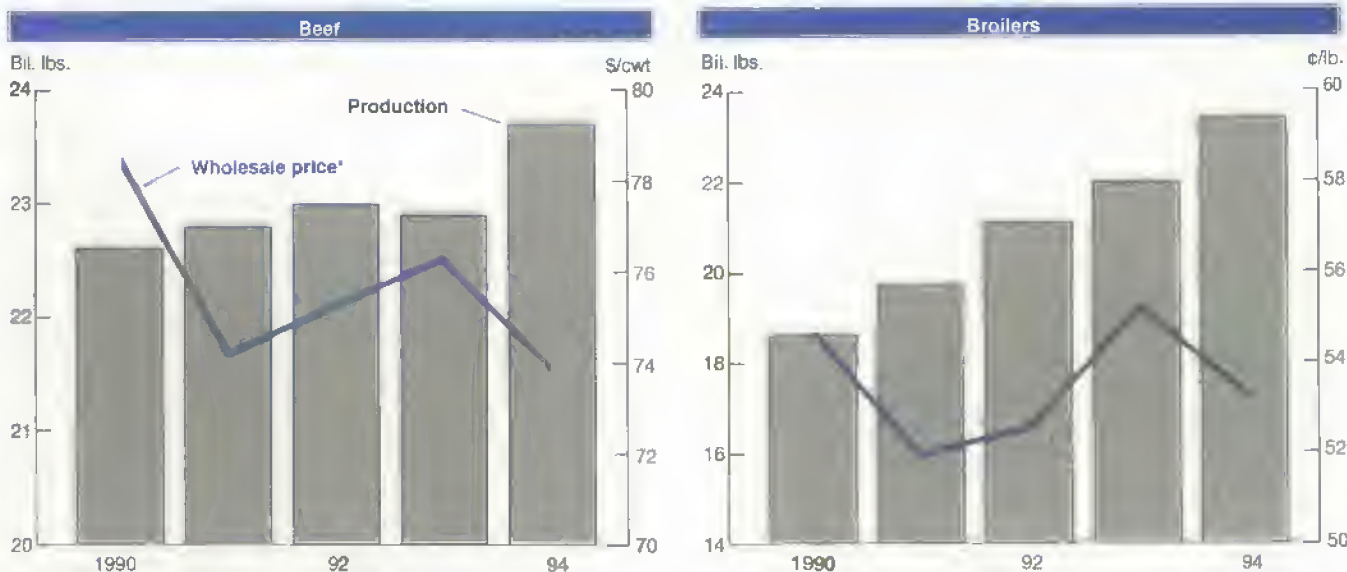
USDA's December *Hogs and Pigs* report indicated continuation of a modest herd

reduction. The number of hogs kept for breeding declined from a year earlier, while the number of all hogs and pigs has declined since June as producers responded to lower profit margins.

Profit margins for farrow-to-finish producers turned negative in December and continued into January. Higher barrow and gilt prices toward the end of January likely boosted returns above breakeven, and prices are expected to average slightly higher in 1994 than last year. But higher feed costs in 1994 will reduce producers' net returns.

- As of December 1, farrowing intentions for December-February were up 2 percent from a year ago, while those for March-May were down 3 percent.
- First-quarter 1994 slaughter is expected to be down 2 percent and second-quarter down 4 percent. Third-quarter slaughter is expected up 2 percent, due to a larger December-February pig crop.
- Fourth-quarter slaughter remains uncertain. Supplies will come from the March-May pig crop, and based on December producer intentions, production could be down 4 percent from a year earlier.

Wholesale Prices To Dip



1994 forecast.
* Annual average.

Agricultural Economy

U.S. Livestock and Poultry Products—Market Outlook at a Glance

		Beginning stocks	Production	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price
								Total	Per capita	
		----- Million lbs. -----						----- Lbs. -----		\$/cwt
Beef	1993	360	23,058	2,400	25,818	1,275	527	24,016	65.1	76-36
	1994	527	23,843	2,340	26,710	1,410	375	24,925	66.9	71-77
Pork	1993	385	17,080	734	18,199	412	368	17,419	52.3	46.12
	1994	368	16,704	770	17,842	400	375	17,067	50.8	44-50
----- c/lb -----										
Broilers	1993	33	22,004	0	22,037	1,910	27	20,100	68.4	55.2
	1994	27	23,196	0	23,223	2,000	33	21,190	71.4	50-56
Turkeys	1993	272	4,795	0	5,067	230	251	4,587	17.8	62.8
	1994	251	4,925	0	5,176	200	275	4,701	18.0	59-65
		----- Million doz -----						No.		c/doz
Eggs*	1993	13.5	5,960.7	5.0	5,979.2	158.6	10.2	5,043.4	234.4	72.5
	1994	10.2	6,020.0	4.5	6,034.7	160.0	12.0	5,082.7	233.8	66-72

Based on Based on February 10, 1994 World Agricultural Supply and Demand Estimates 1993 estimates 1994 projections

*Total consumption does not include eggs used for hatching.
See tables 10 and 11 for complete definition of terms.

- Commercial pork production is projected at 16.7 billion pounds in 1994, 2 percent below last year.
- Hog prices rose to around \$50 per cwt in February as adverse weather slowed slaughter. Prices will weaken when slaughter recovers, but are expected to rise seasonally in the spring and summer. Seasonal price weakness will likely occur again this fall, taking prices back to the mid-\$40's per cwt.
- Retail pork prices in 1994 are expected to average 1-3 percent higher than a year ago as pork supplies decline.
- Imports of pork are expected to rise 3 percent in 1994, with increases expected from Canada and the European Union.
- Exports will remain weak, possibly 3 percent below last year. Continued weakness in the Japanese economy and large supplies of Danish

pork will likely reduce U.S. sales to Japan, the largest importer of U.S. pork.

Broiler Output Hits Record Again

Broiler producers continue to expand output in 1994 in response to growing domestic demand and record exports. Higher feed costs are increasing production expenses, and net returns are expected lower but will remain positive for most of 1994. Increases in average slaughter weights will also likely continue.

As retail prices decline and new poultry entrees in restaurants are favorably received, domestic consumption should rise. The record exports are due to continued production increases, some reduction in international trade barriers, and continued competitive U.S. prices for chicken legs.

- Record production growth in 1994 is indicated by larger placements to the broiler hatchery supply flock and increases in average slaughter weights.

- Broiler production is expected to be about 23 billion pounds, up 5 percent from last year, with first-quarter production 5-6 percent above a year earlier.
- First- and second-quarter prices for whole broilers are expected to be in the mid-50's per pound, about the same as a year earlier. Retail prices are expected to average 87 cents per pound in 1994, slightly lower than last year.
- Per capita broiler consumption is expected to increase around 3 pounds, to over 71 pounds, retail basis.
- Exports of 2 billion pounds are likely in 1994. Increases are expected in sales to Japan and other Pacific Rim countries, Canada, and the Middle East. Exports to countries of the former Soviet Union may decline because of financing uncertainties.

Agricultural Economy

Turkey Expansion Remains Slow

Positive returns to turkey producers last year will likely spur increased output in 1994. Improved returns, particularly during fourth-quarter 1993, have resulted in higher poult placements. The production expansion, however, is expected to be slow in 1994, as higher feed costs expected through most of the year squeeze returns. Average wholesale turkey prices are expected to be about the same as in 1993.

- Turkey production in 1994 is expected up 2-3 percent from last year, and first-quarter production up 1-2 percent from a year earlier.
- Near-stagnant production growth in 1993, along with sharp growth in exports and record movement at Thanksgiving, resulted in 1994 beginning stocks dipping to 251 million pounds. With beginning stocks the lowest since 1990, first-quarter wholesale prices should reflect the drop.
- Although wholesale prices have declined seasonally this winter from the relatively high levels of fall 1993, first-quarter Eastern region hen prices are estimated to be 60 cents a pound, slightly above a year earlier.

Crack in Egg Prices In 1994

Eggs are expected to be more plentiful in 1994 at Easter and cost less than last year. The table-egg flock during the first half of 1994 is expected to be larger than a year earlier, and wholesale prices below a year earlier in the first and second quarters.

- At 5.2 billion dozen, table-egg production is likely to be 1 percent larger than last year.
- Table-egg production will increase 2 percent from a year earlier during the first quarter, due to a 1-percent-

larger flock and increased production per hen. Second-quarter production will be up 1 percent.

- Wholesale prices are expected to average 3-9 cents a dozen below last year in the first quarter, and 5-11 cents less in the second.
- Higher feed costs and lower egg prices will reduce average returns to 2-3 cents per dozen in 1994, down from 9 cents last year.

Milkfat Use To Rise in 1994

Further adjustments between milkfat and skim solids markets are expected in 1994, with commercial use continuing to shift toward cream-based products. Forecasts of stronger economic growth and favorable dairy product prices in 1994 indicate that milkfat use will expand about 2 percent this year, while skim-basis sales will be only slightly larger than last year.

- Commercial use of dairy products on a milkfat basis was nearly 146 million pounds in 1993, almost 3 percent higher than 1992, adjusted for leap year.
- On a skim-solids basis, commercial use was down about 1 percent in 1993.
- Butter sales in 1993 (adjusted for leap year) were 10 percent higher than in 1992, and total cheese sales rose about 1 percent.
- In contrast, commercial use of non-fat dry milk in 1993 was 598 million pounds, down 17 percent from a year earlier.

For further information, contact: Agnes Perez and Shayle Shagam, coordinators; Steve Reed, cattle; Leland Southard, hogs; Lee Christensen, Larry Witucki, and Milton Madison, poultry; Jim Miller and Sara Short, dairy. All are at (202) 219-1285. **AO**

Field Crops Overview

Global Market Outlook

USDA's first global forecasts for the 1994/95 season will be made in May 1994, but winter crop planting in the Northern Hemisphere has already occurred. Global 1993/94 import demand continues depressed for wheat, corn, soybeans, and soybean meal, and export competition is strong. However, for rice and cotton, import demand strengthened this season, while competition is lower and expectations strong for U.S. exports.

Prospects Mixed For 1994/95 Winter Wheat

Northern Hemisphere 1994/95 winter wheat—most of it planted last fall—encountered varying conditions. Canada and the Southern Hemisphere plant later in the year. With high stocks likely, competitors are expected to continue aggressive marketing.

- China's 1994/95 winter planting could be up, as 1993/94 returns improved slightly and the government continues encouraging wheat. But Russia's winter planting likely decreased due to the delayed fall harvest.
- In the European Union (EU), the set-aside provisions of CAP reform continue restraining overall crop area. The recent GATT agreement will not affect the 1994/95 crop since it was planted prior to the agreement.
- Canada's government projects spring planting will drop because continued large stocks and strong 1993/94 world competition decreased prices. But with prices for durum wheat very high, Canada expects to plant more durum.

- The Australian government and its Wheat Board expect farmers to be encouraged in 1994/95, with 1993/94 wheat returns favorable relative to other crops. But area will depend on prices at planting time.
- While higher prices and larger imports are expected for Brazil, Argentine farmers face continuing economic uncertainty.

Wheat Imports Remain Low in 1993/94

Expected 1993/94 wheat imports by the former Soviet Union (FSU), South Asia, and China are below last season, pulling world import demand down sharply. Export market competition remains strong, and trade of most major exporters is projected to decline.

- FSU imports are projected at 15.7 million tons, one-third less than last year's 23.7 million.
- Imports from India and Pakistan are forecast at 1.8 million tons, less than one-third the 1992/93 level.
- China's prospective imports are placed at 6 million tons, compared with 6.7 million in 1992/93.
- Forecast U.S. exports are 33 million tons, down 4 million.
- Projected Argentine exports drop 2 million tons; Canada's fall 3 million, and the EU's drop 3.5 million.
- Australia's high-quality crop, larger than last year, is expected to raise exports 3 million tons.

Rice and Cotton Trade to Expand

	Year ¹	Production	Exports ²	Consumption ³	Carryover
<i>Million tons</i>					
Wheat	1992/93	560.3	109.7	546.8	142.3
	1993/94	562.4	100.0	561.3	143.5
Corn	1992/93	528.6	60.5	506.3	101.4
	1993/94	457.5	56.2	492.6	66.3
Barley	1992/93	165.2	14.9	165.7	31.5
	1993/94	165.4	17.1	167.3	29.6
Rice	1992/93	351.3	15.1	354.9	51.3
	1993/94	346.7	15.5	355.4	42.5
Oilseeds	1992/93	226.9	37.6	184.0	23.4
	1993/94	223.7	37.3	185.8	19.7
Soybeans	1992/93	116.4	29.4	95.8	20.6
	1993/94	113.1	26.7	97.9	17.0
Soybean meal	1992/93	76.0	27.6	74.8	3.6
	1993/94	77.7	28.8	76.5	3.7
Soybean oil	1992/93	17.1	4.3	17.3	1.8
	1993/94	17.6	4.4	17.7	1.3
<i>Million bales</i>					
Cotton	1992/93	82.8	24.6	85.6	38.4
	1993/94	79.2	25.5	85.0	32.7

¹ Marketing years are wheat, July-June; coarse grains, October-September; oilseeds, soybeans, meal, and oil, local marketing years except Brazil and Argentina adjusted to October-September trade; cotton, August-July. ² Rice trade is for the second calendar year. All trade now has been inflated to include trade among the countries of the former Soviet Union. In addition, for the first time, rice trade, like other grain trade, excludes intra-EC trade. Oilseed and cotton trade, however, still include intra-EC trade. ³ Crush only for soybeans and oilseeds.

U.S. Share of Corn Exports Declines

With 1993/94 U.S. corn production off sharply, foreign competitors are gaining market share this year. World imports are projected down, reflecting reduced demand by southern Africa, Canada, and Eastern Europe, as well as financial constraints in the FSU and relatively attractive prices of wheat for feed.

- Foreign exports this year are forecast to match or slightly exceed the previous record.
- With larger outturns, Argentina's and China's corn exports are forecast to rise about 1 million tons each and South Africa's reach 2 million, up from zero last year.
- U.S. exports are projected at 33 million tons, down from 41.8 million last year; market share slips from 69 to 59 percent, the lowest since 1985/86.
- Canada's imports drop to less than half last year's level as its crop rises. South Africa returns to exporting.
- FSU corn imports are projected to drop 8 percent, from 6.4 to 5.9 million tons this year.
- Korea's expected corn imports drop from 6.5 to 6 million tons as its feed wheat imports rise.

World Rice Market Tight in 1993/94

The 1993/94 world rice market is dominated by large import demand from Japan. Market prices, particularly for the preferred japonica rice, nearly doubled overnight in October. Calendar 1994 world rice imports are projected up, despite world consumption largely unchanged from last season. As one of the few world suppliers with exportable japonica surpluses, the U.S. is expected to expand exports.

Agricultural Economy

- World production is forecast down 6 million tons, with most of the decrease in Japan and China.
- Calendar 1994 exports are expected to rise 3 percent.
- World stocks drop to the lowest level since 1975/76.
- Japan imports 2 million tons, compared with only minor imports over the past 25 years.
- U.S. exports are projected at 2.7 million tons, up from 2.6 million in calendar 1993 and only 2.1 million in 1992.

World Cotton Stocks Tighter Than Anticipated

Recent reductions in production forecasts for China, India, and Pakistan—the major producing countries—pull down world output projections this year. The lower production leads to sharply reduced ending stock expectations. With reduced outturns in major competitor nations, U.S. exports are expected to gain.

- World production is projected off 4 percent, and stocks fall to the lowest level since 1986/87.
- China's 1993/94 crop, at 18 million bales, is expected to be off 13 percent, India's falls 4 percent, and Pakistan's drops 12 percent. China and Pakistan had small crops last year as well; but India's crop is just below last season's record.
- U.S. exports are projected at 6.5 million bales, up 1.3 million.

World Soybean Imports Contract

The forecast EU demand for imported soybeans, already down from last year, was recently reduced further. This year's anticipated world trade of soybeans is projected down, primarily a result of lower EU demand and reduced U.S.

Domestic Outlook

U.S. Field Crops—Market Outlook at a Glance

	Area		Yield	Output	Total supply	Domestic use	Exports	Ending stocks	Farm price
	Planted	Harvested							
	— Mil. acres —	Bu/acre							
Wheat									
1992/93	72.3	62.4	39.4	2,459	3,001	1,118	1,354	529	3.24
1993/94	72.2	62.6	38.5	2,402	3,026	1,213	1,225	588	3.10-3.25
Corn									
1992/93	79.3	72.2	131.4	9,482	10,589	6,813	1,663	2,113	2.07
1993/94	73.3	63.0	100.7	8,344	8,477	6,400	1,300	777	2.55-2.75
Sorghum									
1992/93	13.5	12.2	72.8	884	937	478	277	175	1.89
1993/94	10.5	9.5	58.9	568	743	475	175	85	2.40-2.60
Barley									
1992/93	7.8	7.3	62.5	458	598	366	80	151	2.05
1993/94	7.8	8.8	58.9	400	586	380	60	146	1.95-2.05
Oats									
1992/93	8.0	4.5	65.6	295	477	358	6	113	1.32
1993/94	7.9	3.8	54.4	206	414	305	5	104	1.35-1.45
Soybeans									
1992/93	59.1	58.2	37.6	2,188	2,468	1,406	770	292	5.56
1993/94	59.4	58.4	32.0	1,809	2,106	1,346	605	155	6.25-6.75
			Lb./acre	— — — — — Mil. cwt (rough equiv.) — — — — —				\$/cwt	
Rice									
1992/93	3.18	3.13	5,736	179.7	213.2	96.7	77.0	39.4	5.89
1993/94	2.92	2.83	5,510	156.1	202.3	98.6	83.0	20.7	8.00-9.50
			Lb./acre	— — — — — Mil. bales — — — — —				¢/lb	
Cotton									
1992/93	13.2	11.1	699	18.2	19.9	10.3	5.2	4.7	54.90*
1993/94	13.4	12.8	807	16.2	20.8	10.2	8.5	4.2	54.30

Based on February 10, 1994 World Agricultural Supply and Demand Estimates. U.S. marketing years for exports, 1992/93 estimates, 1993/94 projections.

*Weighted-average price for August 1-April 1; not a season average.

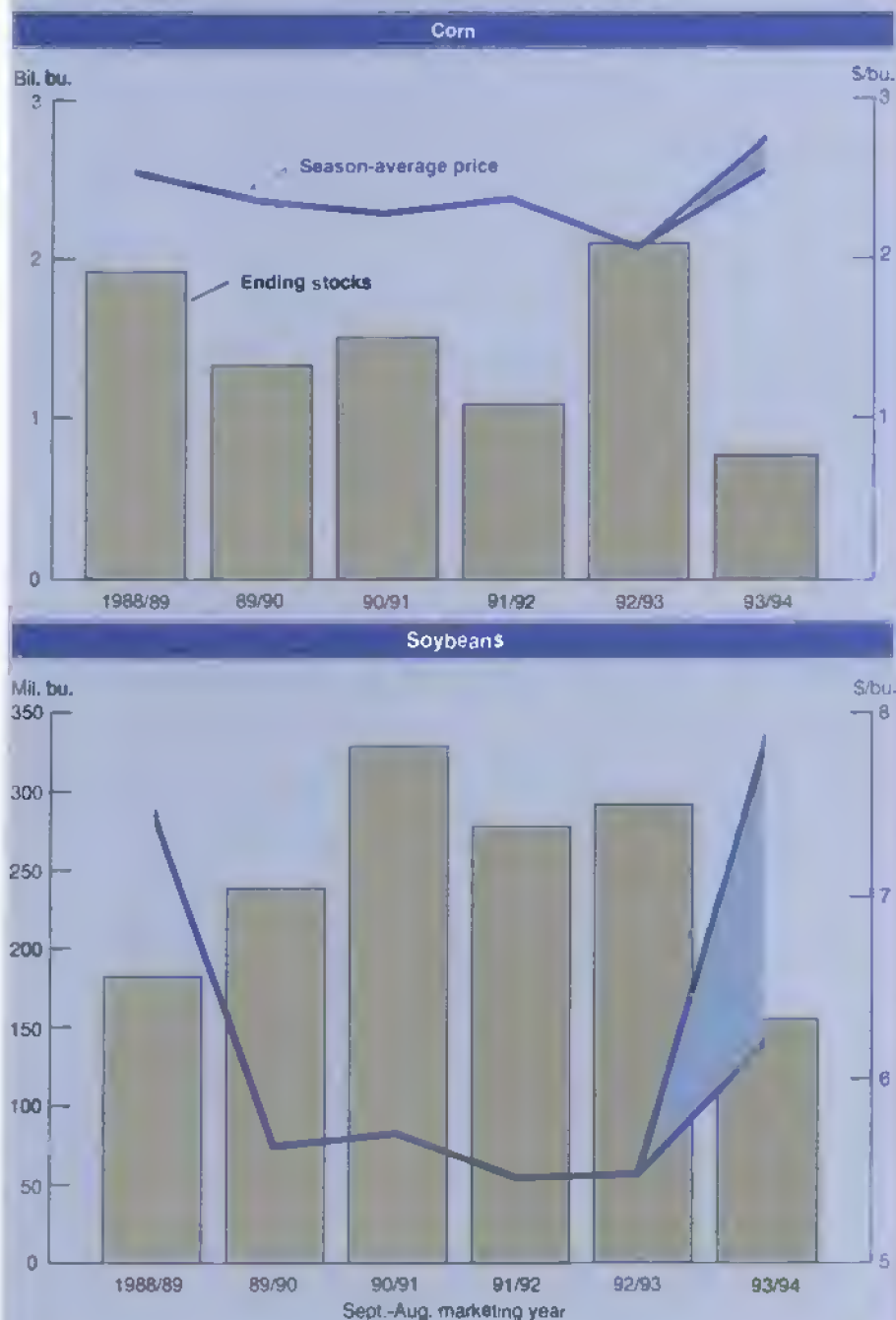
See table 17 for complete definition of terms.

supplies. World competition for soybean markets continues strong, with record South American output expected to raise both bean and meal exports. China's exports of soybeans are also increasing because of a larger harvest, as are India's soybean meal exports.

- World soybean trade is projected down nearly 1 million tons.
- EU imports of soybeans fall from 15.1 million tons last season to an expected 14 million this year, while

Agricultural Economy

U.S. Grower Prices Rise with Lower Ending Stocks



soybean meal imports drop to 13.8 million from 14.4 million.

- Projected U.S. soybean exports drop to 16.5 million tons from 20.9 million last year. U.S. soybean meal

exports fall from 5.7 to 4.5 million tons.

- Argentina's soybean exports rise 1.4 million tons from last year, and its meal exports increase 300,000 tons.

Brazil's soybean and soybean meal exports are forecast up about 1 million tons each.

- China's soybean exports rise 900,000 tons, while India's soybean meal exports are up by 850,000 tons.

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Specialty Crops Overview

U.S. orange output is expected to be down from last year because of a smaller crop in Florida and less output of California navel oranges. Average producer prices for oranges are expected higher, while lemon prices declined seasonally during January. Average grower prices for grapefruit are running ahead of a year earlier, the impact of a smaller U.S. crop in 1993/94.

Although forecasts for U.S. sugar production were raised in January, U.S. ending stocks on October 1 are expected to be lower than a year earlier due to lower production and imports and higher domestic deliveries and exports. A weak tobacco export market, a poor-quality flue-cured crop, and declining domestic cigarette use have all pushed U.S. tobacco prices below a year earlier.

Agricultural Economy

Smaller Crop Boosts Orange Prices

Smaller orange crops in Florida and California have kept average U.S. producer prices above a year earlier since the start of the 1993/94 season (October 1). However, grower prices for fresh-market oranges are expected to slip this spring as shipments of California Valencia oranges pick up. Grower prices for processing oranges are expected to remain above last year's unusually depressed level. California is the major state supplying fresh oranges, while Florida is the nation's leading producer of oranges for processing.

- Total U.S. orange output in 1993/94 is forecast 5 percent lower than last year's large crop. Florida's all-orange production is forecast 6 percent lower, while California's navel production is down 13 percent. In contrast, California's Valencia production is forecast 22 percent higher than last year.
- U.S. grower on-tree returns for all oranges in January were nearly 10 percent higher than a year earlier. California growers received \$5.65

per 75-pound box of fresh-market oranges, up from \$5.12 a year earlier. Growers in Florida received \$3.73 per 90-pound box for processing oranges, \$1.37 higher than a year earlier.

- Retail prices for oranges averaged 5-10 percent above a year earlier in November and December, but declined in January, nearly matching the year-earlier level. January retail prices for frozen concentrate orange juice averaged \$1.67 per pound, about the same as a year earlier.
- Futures prices for orange juice concentrate (FCOJ) fell during November and December, but remained above year-earlier levels. Wholesale bulk FCOJ prices have been unchanged since last August, signaling stable retail prices in the months ahead.

Grapefruit Prices Also Higher

Grower prices for grapefruit also have been boosted by a smaller 1993/94 crop. Export demand for U.S. grapefruit is expected to remain relatively low because

of recession in Western Europe and Japan, major U.S. buyers. The U.S. is the world's largest exporter of grapefruit, selling more than 30 percent of its fresh-market grapefruit to foreign buyers.

- U.S. grapefruit production (excluding California's "other areas") is forecast to be 2.38 million tons in 1993/94, 9 percent below last year.
- The U.S. f.o.b. price for fresh grapefruit in mid-January was \$12.20 per box, \$1.60 higher than a year earlier.
- U.S. grapefruit exports as of mid-January were about even with a year before.

Demand Increased For Fresh Lemons

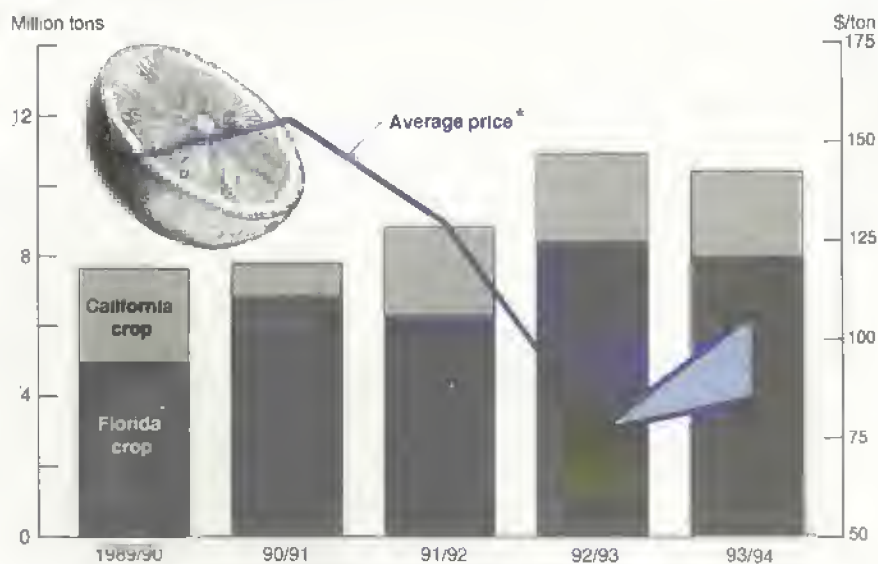
Although the 1993/94 lemon crop is forecast slightly higher, grower and retail prices are about even with a year earlier. Both fresh lemon exports and U.S. fresh-market consumption are expected to be about the same as a year earlier, and both have been stable in recent years. About a third of U.S. fresh lemon utilization is for export.

- U.S. lemon production in 1993/94 is forecast to be 942,000 tons, up 1 percent, with Arizona accounting for the increase. Last year's crop was also relatively large, up nearly 21 percent from 1991/92.
- Grower f.o.b. prices for fresh lemons in mid-January were 8 percent below a year earlier, while retail prices averaged 2 percent higher than during January 1993.

Winter Vegetable Acreage Up

Acreage for harvest of 13 selected winter vegetables is expected to be ahead of a year earlier due to increases in bell pepper, celery, cabbage, broccoli, and head lettuce acreage. Spinach, cauliflower, and tomato area are expected to decline.

Grower Prices To Rise with Smaller Orange Crops



Marketing year beginning October 1.

* Compiled from Florida and California on-tree returns. 1993/94 forecast.

Florida's vegetable crops have been spared any substantial losses from freezes thus far this winter.

- The area for 13 selected winter vegetables (harvested during January to March) is forecast up 3 percent over last year.
- As of mid-January, shipments of lettuce were running ahead of a year earlier, and grower prices were relatively low.
- Although December tomato prices were relatively high, prices declined during January largely due to increased imports from Mexico.

U.S. Sugar Production Revised Upwards

The projection for U.S. sugar output in 1993/94 was revised upward in January, due to higher forecast sugar extraction from beets than last year, and higher cane sugar output in Louisiana and Florida than previously estimated. The February production estimate was unchanged from January.

- U.S. sugar production in fiscal 1993/94 is expected to be 7.54 million short tons, raw value (4.1 million tons of beet sugar and 3.44 million of cane)—up nearly 200,000 tons from December's forecast, but 291,000 below last year's record. The beet sugar forecast includes about 250,000 tons of sugar produced from the desugarization of molasses.
- Domestic use of sugar in fiscal 1993/94 is projected to rise 1.5 percent from last year, to 9.2 million tons. This is down 25,000 tons from earlier forecasts due to sluggish demand during the fourth quarter.
- Quota sugar imports, which make up the difference between domestic production and domestic use, are forecast to be nearly 1.125 million tons,

down from 1.335 million tons in 1992/93, partly because some countries did not deliver the full amount of their quota.

- U.S. prices for raw cane sugar and refined beet sugar have been relatively stable since fourth-quarter 1993, despite projections of a sharp drop in stocks at the end of the fiscal year.

Tobacco Prices Fall Despite Smaller Crop

Grower prices fell for flue-cured tobacco, while burley prices remained nearly unchanged in 1993 despite a smaller crop and higher price supports. Prices were down because of weak foreign and domestic demand and poor quality. U.S. leaf tobacco exports in 1993/94 (July-June) are projected to decline from last year, given smaller U.S. supplies and large quantities of low-priced foreign tobacco. In addition, recent legislation limiting the use of imported leaf in U.S. cigarettes may lead some countries to reduce purchases of U.S.-grown leaf in retaliation.

- U.S. tobacco production in crop-year 1993/94 is estimated down 6 percent from last year, with acreage and yields both lower. Flue-cured production was down about 3 percent, while burley fell 11 percent.
- Despite lower production, as well as legislation boosting domestic tobacco's share of U.S. cigarette production, flue-cured tobacco prices averaged 4 cents a pound below a year earlier, while burley prices averaged about the same. Reduced quality of this year's flue-cured crop contributed to lower prices.
- Health concerns, smoking bans and restrictions, declining social acceptability of smoking, and higher cigarette prices are expected to have reduced U.S. cigarette consumption 2 percent in calendar 1993.

- The per capita smoking rate (persons 18 and older) has declined from 3,488 cigarettes a year in 1982 to 2,640 in 1992.

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March Releases—USDA's Agricultural Statistics Board

The following reports are issued at 3 p.m. Eastern time on the dates shown.

March

- 2 Broiler Hatchery
- 3 Poultry Slaughter
- 4 Dairy Products
- Egg Products
- 9 Broiler Hatchery
- 10 Crop Production
- 11 Potato Stocks
- 14 Livestock Slaughter, Ann.
- Turkey Hatchery
- 15 Milk Production
- 16 Broiler Hatchery
- 18 Cattle on Feed
- Sheep & Lambs on Feed
- 21 Agricultural Chemical Usage, Field Crops
- 22 Catfish Processing
- Cold Storage
- 23 Broiler Hatchery
- 24 Chickens & Eggs
- Cotton Ginnings
- Hop Stocks
- 25 Hogs & Pigs
- Livestock Slaughter
- 28 Peanut Stocks & Price
- 29 Wool & Mohair
- 30 Agricultural Prices
- Broiler Hatchery
- 31 Grain Stocks
- Prospective Plantings
- Rice Stocks

Agricultural Economy

News Watch . . .

New Survey of CRP Participants

Conservation Reserve Program (CRP) contracts are set to begin expiring in late 1995 (AO November 1993), and a recent survey of farmers who participate in the CRP found that over 40 percent of their reserve acreage will be returned to crop production after contracts expire. The survey by the Soil and Water Conservation Society reported that CRP participants anticipate leasing or renting another 13 percent of the land to other farmers. Close to a quarter of the land is slated for grass cover for hay production or livestock grazing.

Under the CRP, farmers on erodible or environmentally sensitive land agree to retire land from production for 10-15 years. During the contract period, farmers receive an annual rental fee from the government, and are responsible for maintaining a grass or tree cover on the CRP land. The Omnibus Budget Reconciliation Act of 1993 required a total of 38 million acres to be enrolled in the CRP, and current enrollment stands at 36.4 million acres. Still in question is whether Congress will renew expiring contracts.

More Fresh Produce in School Lunches

USDA has provided almost 21 million pounds of fresh fruits and vegetables to schools around the country in the 1993/94 school year. This amount surpasses USDA's goal of doubling the amount of fresh produce purchased for the National School Lunch Program (NSLP) from last year's 9 million pounds, as part of USDA's nutrition initiatives (AO November 1993). In addition, NSLP reports that a bonus distribution of 8.5 million pounds has been purchased this year, compared with 3.5 million last year.

Progress on Organic Certification

At the National Organic Standards Board (NOSB) meeting in Arlington, Virginia in February, participants made notes on laptop computers while members of the public testified on unresolved matters in setting standards for certifying foods as "organic." Issues ranged from the mechanism for accrediting organic certification agencies, to whether to prohibit even emergency use of livestock antibiotics in certified organically raised dairy cows. The February session was part of a series of public meetings held by the USDA-appointed NOSB. The Board is expected to hold one more general session (June 1994 in Santa Fe, New Mexico) and one more livestock hearing (March 22 in Sacramento, California), before USDA-proposed rules for organic certification appear in the *Federal Register* for formal public comment. The NOSB is charged with resolving a variety of issues in setting national standards for the production and handling of organic foods as called for in the 1990 Farm Act (AO August 1993).

New Kenaf Processing Plant

A firm in California is building a new facility for processing kenaf, a "new use" fiber crop. Kenaf is especially adaptable for manufacturing newsprint—tests have shown that kenaf paper is stronger and whiter, and has better ink adherence and sharper photo reproduction capability than paper from wood pulp. However, high transportation costs have generally limited initial processing to areas near where the crop is grown. California accounted for 560 of the nation's 4,373 kenaf acres last year (AO October 1993). Grown in only a few states, kenaf is processed by just four U.S. fiber separation facilities.

Flood Aid Tops \$2 Billion

More than \$2.1 billion in direct disaster assistance has been provided for the nine Midwest states that were hit by heavy rain and floods from April through September 1993. USDA is providing this assistance mainly through crop disaster and indemnity payments. The nine states are Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin. USDA's Agricultural Stabilization and Conservation Service (ASCS) has already made crop disaster payments of \$1,067,410,000 to 318,079 producers in those states whose crops were adversely affected last year by the flooding and other severe weather conditions. The Federal Crop Insurance Corporation has made \$986,035,917 in indemnity payments in the nine states, for crop losses directly related to the weather system. Disaster assistance of over \$2 billion had been anticipated, and had been forecast to help increase Midwest farmers' net cash income in 1993 (AO October 1993).

Also included in USDA's direct disaster assistance for Midwest flood states are ASCS feed assistance and emergency conservation program payments (almost \$9 million), as well as Food and Nutrition Service (FNS) Emergency Food Stamps (\$9 million). FNS also provided \$1.6 million worth of commodities to relief organizations. USDA has also funded post-flood cleanup and rebuilding efforts in the Midwest. The Soil Conservation Service has contracted \$25,043,000 under the Emergency Watershed Protection Program to remove debris and sediment from rivers and streams, restore water control structures, and establish vegetative cover on streambanks. The Rural Development Administration has obligated over \$9 million for business and industry loans and for water and waste disposal, and the Farmers Home Administration has obligated almost \$1.8 million in housing loans and grants. **AO**

Commodity Spotlight



California Strawberry Commission

Strawberry Yields Have Lowered Prices

Americans are eating more strawberries and paying less for the pleasure. U.S. strawberry consumption has doubled since the early 1970's, and among U.S.-grown fresh fruits, strawberries are now second only to apples in value. U.S. strawberry production has been climbing steadily at an average of almost 8 percent a year for two decades, providing consumers with nearly year-round supplies.

California's switch to an annual cropping system, development of improved varieties, and routine soil fumigation—along with the concentration of production in California (80 percent of the U.S. crop)—have raised yields and decreased production costs, keeping retail prices relatively stable during the last two decades. Good-quality strawberries are now available to consumers nearly year-round, thanks to new varieties that bear fruit for months rather than weeks, although shipments and prices still fluctuate with the seasonal supply pattern.

The 1993 U.S. strawberry crop was estimated at a record 711,900 tons, worth nearly \$750 million to growers. Output in California was up 10 percent from 1992, while Florida, Oregon, and other smaller producers showed a relatively small change from the previous year. Fresh strawberries have been slowly gaining a share of the total market, with about 70 percent of the U.S. crop marketed fresh in 1993.

The outlook for the 1994 strawberry crop is favorable, and the crop's value is likely to set another record as it has almost every year for the last 20. A substantially larger Florida strawberry crop is expected. Picking began in November, growing conditions have been good, and acreage is up 10 percent from 1993. California's 1994 strawberry production is likely to match last year's, with acreage the same or down slightly. The elimination of Mexico's tariff on fresh U.S. strawberries early this year—a provision of the North American Free Trade Agreement (NAFTA)—could increase demand in the Mexican market.

In the longer term, the U.S. strawberry industry could face problems maintaining the strong growth in production and value seen over the last two decades, as use of a key crop chemical is phased out. The Environmental Protection Agency announced on November 30, 1993 that use of methyl bromide—a soil fumigant that helped increase strawberry yields over the last several decades—will be phased out by January 1, 2001. Unless an alternative is found, U.S. strawberry output could actually decline.

Production Concentrated In California

U.S. strawberry production has more than doubled over the last two decades. The U.S. strawberry crop averaged about 685,000 tons in the early 1990's, compared with about 250,000 tons in the early 1970's. This period saw further concentration of production in California. With less than half of the U.S. strawberry acreage in 1990-92, California accounted for nearly 80 percent of U.S.

output, up from about 60 percent 20 years earlier. Florida's share rose from 4 to 10 percent, while Oregon's declined from 14 to 5 percent.

While growers in California and Florida have expanded strawberry acreage over the last two decades, increasing yields may have played an even larger role in boosting production. Average U.S. yields have almost tripled from the early 1970's to 14 tons per acre in 1990-92. Average yield in California is much higher than in other states—24 tons per acre in 1990-92 (up 33 percent from 1970-72). Florida's strawberry yield was 13 tons in 1990-92 (up over 100 percent from 1970-72), and Oregon's was 5.4 tons (up 50 percent).

The increase in California's per-acre strawberry yields resulted from the adoption of an annual planting system, the development of new varieties better suited to the annual system, and soil fumigation with a combination of methyl bromide and chloralopicrin. Most strawberries are grown as an annual crop in California, with nursery plants set out in October or November and replaced the following year, rather than being allowed to bear crops for several years.

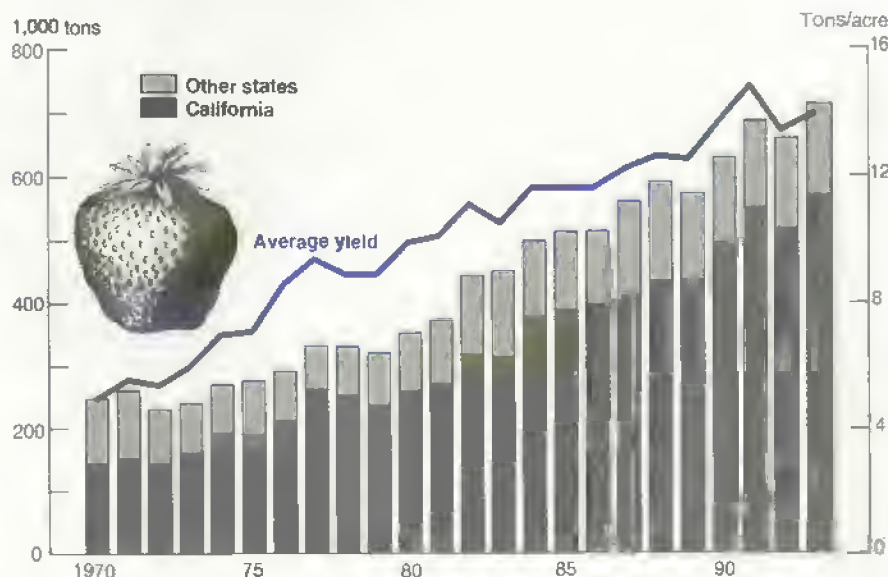
Another factor in California's favor is its 12-month growing season compared with about 5 months elsewhere. The longer season and the extended production cycles of new varieties allow strawberry plants in California to produce fruit for 6 months, compared with 4 weeks in some other states.

Strawberry Prices Have Dodged Inflation

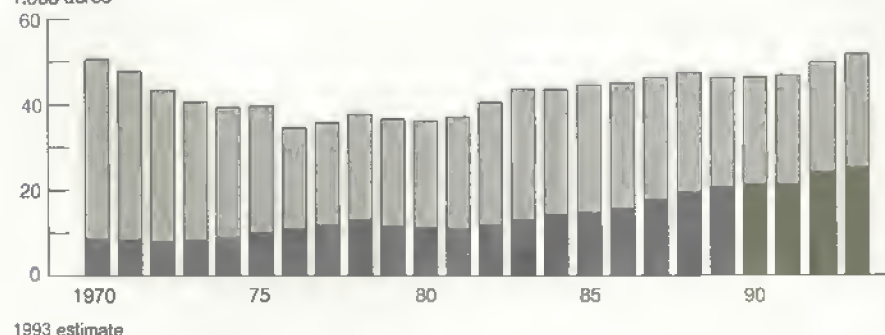
Strawberry prices have risen more slowly than prices in general. While nominal retail prices for fresh strawberries increased about 5 percent annually between 1980 and 1993, inflation-adjusted prices were nearly flat over this 14-year period. Real prices for many other major fruits—including apples, bananas, and grapes—were down during this period, but orange and grapefruit real prices were up 9 and 14 percent.

Commodity Spotlight

Strawberry Yields Have Mounted and Production Nearly Tripled In Two Decades...



... While Acreage Has Shifted to California



Prices that growers receive for fresh strawberries have risen 4 percent a year since 1970. Adjusted for inflation, grower prices actually fell 35 percent between 1970 and 1992. Meanwhile, technological and biological advances in growing strawberries have lowered per-unit production costs, more than offsetting the drop in real prices.

Grower and retail prices for fresh strawberries fluctuate substantially during the year, falling in the spring when shipment volumes are high, and rising in the winter when shipments are minimal. Although some fresh strawberries are shipped every month in the U.S., April and May are the peak months, and the volume is relatively small during the late fall and early winter months. While

retail and grower prices for fresh strawberries follow the same seasonal pattern, retail prices fluctuate somewhat less.

California ships strawberries for the fresh market between March and November, with nearly half shipped in April and May. However, July and August shipments from California have more than doubled since 1980-82 as Selva, Seascape, and other varieties—which bear large, firm berries throughout the season—helped extend production cycles. Florida ships December through April, peaking in March. Imports of strawberries from Mexico—mostly during the winter months—amounted to only 3 percent of U.S. shipments in 1990-92.

U.S. Output Has Replaced Imports

With the increase in domestic supplies, Americans are now eating more strawberries grown in the U.S. and fewer that are grown elsewhere. U.S. output of fresh strawberries nearly tripled between 1970-72 and 1990-92, while imports declined from 13 to 3 percent of the U.S. fresh strawberry supply. At the same time, U.S. exports of fresh strawberries increased from 3 to 11 percent of U.S. supply.

Mexico has supplied nearly 90 percent of U.S. strawberry imports during the last 5 years, and the U.S. is Mexico's major customer for strawberries. Canada and Japan are the main destinations for U.S. exports of fresh and frozen strawberries.

The U.S. also exports some fresh strawberries to Mexico during the summer and fall, before Mexico's crop is available. Prices in Mexico have generally been much higher for U.S.-produced berries than for Mexico's strawberries, because of higher quality and, prior to the enactment of NAFTA, a 20-percent tariff on Mexican imports of U.S. fresh and frozen strawberries.

When NAFTA took effect in January 1994, Mexico eliminated its tariff on U.S. fresh strawberries, and reduced its tariff on frozen berries to 14 percent. NAFTA eliminated the U.S. tariff of about 1.5 percent on fresh strawberries from Mexico, and the 14-percent U.S. tariff on Mexico's frozen strawberries is scheduled to be phased out over 10 years. Elimination of Mexico's tariff on fresh strawberries, and rising incomes fostered by free trade, will enable Mexican consumers to buy more U.S. strawberries.

Fumigant Rules Raise Uncertainty

Methyl bromide, in combination with chloralopicrin, is used to fumigate soils prior to planting strawberries, and protects the plants and fields from weeds,

Commodity Spotlight

insects, nematodes, and fungi. It has been effective in raising strawberry yields, particularly in California. Currently, no effective substitute for methyl bromide is available to strawberry producers.

EPA has listed methyl bromide as a Class I ozone-depleting substance under the Clean Air Act, and in November last year announced final rules on its phase-out. Beginning this year, use of methyl bromide will be frozen at 1991 levels. U.S. strawberry producers have until January 1, 2001—when its use will be completely banned—to find a substitute for this fumigant. Mexico's producers, on the other hand, face no current domestic or international restrictions on methyl bromide use.

The absence of methyl bromide could lower California's strawberry yields by 20-50 percent and raise the cost of production, if no effective alternative is found. A 1993 USDA study estimated that in the absence of a substitute, the economic loss to U.S. strawberry producers and consumers resulting from the banning of methyl bromide would be at least \$106 million annually. U.S. strawberry production could shrink if countries that grow and export strawberries continue using methyl bromide after it is banned in the U.S.

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World Agriculture & Trade



New Direction For FSU Ag Assistance?

International agricultural assistance to the Former Soviet Union is likely to decline in the near future, and the emphasis to shift. The change reflects a reassessment of the needs of the FSU countries as economic reform proceeds.

Since the fall of communism and the breakup of the USSR in 1990 and 1991, the international community has provided assistance to the former Soviet Union (FSU) to support the political and economic transformation taking place there. The major aims of international agricultural aid include promoting market reforms in the FSU's agricultural sector, helping to ensure stable food supplies during the reform period, and maintaining agricultural exports to the region.

However, in some respects agricultural aid has unintentionally impeded the reform process by increasing the FSU's external debt burden and perpetuating state control of agricultural distribution. The focus of agricultural assistance will likely shift toward technical support and

investment, and away from credits and food aid except where food supplies are severely disrupted.

Credit Is Bulk of Ag Assistance

Since 1990, around \$25 billion, or 25-30 percent of total aid announced for the region, has been geared toward agriculture. Over half of this amount has already been disbursed. Four-fifths of the announced direct agricultural aid is in the form of government-backed credits. Concessional loans, donations, and technical support account for the remainder. The U.S. has been the largest provider of agricultural assistance to the FSU. Other primary donors include Canada, Turkey, and the European Union and its member states.

An indirect form of agricultural assistance is debt rescheduling. Russia's debt servicing difficulties during 1991-92 led to its suspension from credit programs of several nations, including the U.S. Since January 1991, the U.S. has provided over \$5 billion in short-term (3-year) commercial GSM-102 export credit guarantees to the FSU, and the debt was assumed by Russia. At the end of 1992, Russia defaulted on its GSM-102 debt payments and was suspended from the program. In April 1993, the Paris Club, an organization that represents groups of creditors, rescheduled most of Russia's 1993 government-to-government debt, including some of the debt on agricultural credits. In September 1993, Russia and the U.S. negotiated a bilateral rescheduling agreement on GSM-102 debt payments, and by the end of 1993 Russia had repaid nearly \$450 million.

Russia again defaulted on U.S. credit guarantees in January 1994, although this January payment was made by the end of February. If Russia remains current on its payments, it would be eligible for new U.S. GSM-102 credit if deemed credit-worthy. However, Russia has not requested additional credits from the U.S. for 1994 and has stated that agricultural imports, which are expected to continue declining, will be purchased with cash.

Coming in Agricultural Outlook

- Rice acreage response to market turnaround
- New seafood safety rules
- Spotlight on coffee

World Agriculture & Trade

Ag Assistance Takes Many Forms

Government-backed credits:

Either disbursed directly by governments or through guarantees, these credits were extended to finance commercial exports of agricultural goods to the FSU, once commercial banks deemed the FSU to be a credit risk. Governments have also extended credits or credit guarantees to support barter trade.

Food donations and concessional credits:

Food donations are usually distributed by private voluntary organizations (PVO's) or through government-to-government contracts, and can be either bulk or processed. Concessional sales are arranged with credit that usually carry a grace period, longer terms of repayment, and lower interest rates than normal market transactions.

Technical assistance: Intended to support long-term development of the FSU agricultural sector, technical aid includes model farms, market development, government advisors, farmer-to-farmer exchanges, and infrastructure improvement. Technical assistance, although growing, has accounted for only a small share of total agricultural assistance.

Food Aid's Role In Reform

International agricultural assistance to the FSU has several aims:

- maintaining agricultural exports to one of the world's largest agricultural importers and establishing new markets for high-value goods.

To a large extent, agricultural assistance has met these goals. It symbolizes international support for FSU reforms, has targeted relief for vulnerable segments of the FSU population, provided food supplies to war-torn areas, and maintained agricultural exports to the region, albeit at lower levels. U.S. aid has also generated exports of U.S. foodstuffs not traditionally imported by the FSU, such as pork, dairy products, and vegetable oil.

However, agricultural assistance has not produced all of the positive effects intended by its donors. The food supply crises predicted by the popular press in the first years of post-Soviet reform never occurred except in those areas affected by civil war (Transcaucasus and Tajikistan). Per capita food consumption, inflated during the Soviet period by substantial consumer and producer subsidies, fell during the reform period—due

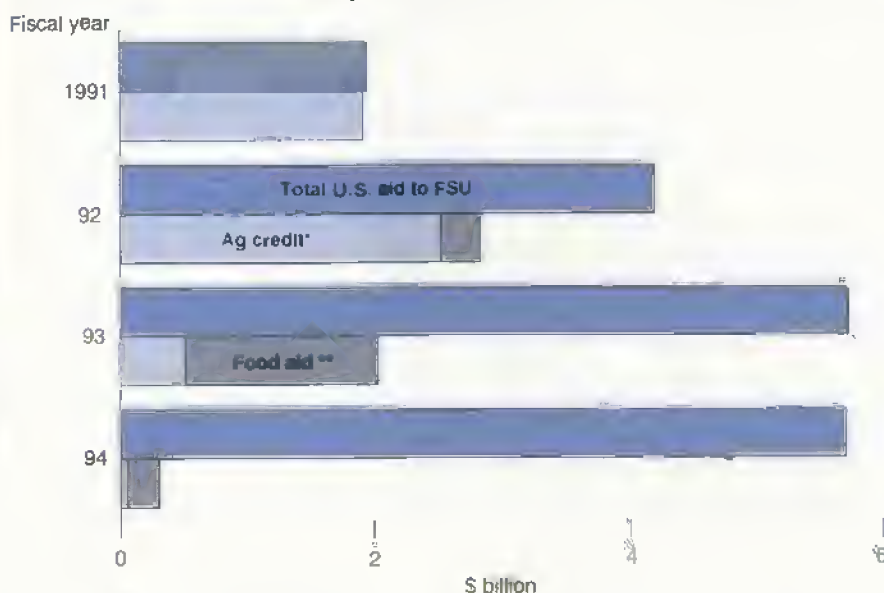
not to a major disruption in supply, but to reduced purchasing power that accompanied price liberalization.

Food aid's ability to bolster popular support for economic reform by lessening its negative effects was limited. Nowhere is this clearer than in the recent parliamentary elections in Russia, where opponents to market reforms were elected largely as a protest against the fall in living standards that has resulted from reform.

The ability of international agricultural assistance to advance market reforms was also limited. Commercial credits and credit guarantees add to the FSU's already substantial external debt. Scarce hard currency needed to support domestic reform is used to service the debt, which was largely incurred by the former USSR. Russia's difficulty in servicing this debt led to its suspension from several credit programs and required the re-scheduling of a large part of the debt.

In particular, some Russians question spending large sums of money on trade with farmers in exporting countries

U.S. to Reduce Food Aid and Ag Credit to FSU



Ag assistance includes freight. 1994 ag aid data announced through January.

* GSM-102 credit guarantees.

** Title I of P.L. 480, Food for Progress, and Section 416(b).

- supporting and furthering democratic and market reforms;
- helping to ensure sufficient food supplies during the transition period;
- bolstering popular support for market reforms; and

instead of using the money to support Russian farmers. Conversely, some critics point out that donor nations are left with debts that may be only partially repaid if at all.

Finally, massive infusions of bulk commodities, such as grain, can perpetuate inefficiencies in the agricultural sector, by reducing incentives to continue restructuring for more efficient production and distribution. Lower priced imports and donations can undercut domestic production. Assistance given to state traders and distributed by state ministries helps perpetuate state control of agricultural marketing.

The high levels of grain imports, sustained in recent years by credit guarantees, concessional credit, and donations, allowed authorities in the FSU to delay increases in farm prices and to maintain the centralized grain distribution and marketing system to a large degree. For example, the average price of wheat imported by the FSU in 1992/93 was \$125 a ton (excluding freight), while Russian farmers received less than \$40 a ton. However, the state provided massive subsidies that lowered the price of imported grain relative to domestic farm prices.

Thus, instead of paying Russian farmers higher prices, which would have improved farm incomes, increased farm sales, and reduced waste, the state chose instead to purchase large amounts of foreign grain. When commercial financing was no longer available, the state requested concessional loans and donations to help maintain these imports. Obtaining imports on concessional terms, which meant deferring immediate repayment, was easier for state planners than allowing market forces to set domestic grain prices.

Shifting the Focus

Total assistance to the FSU is expected to decline, and disbursement of previously pledged funds is likely to slow as policymakers assess recent political events and continue to seek consensus on how best to help the FSU. The primary

challenge facing the international community is how to support FSU reforms while ensuring that funds can be disbursed and used effectively. However, no clear consensus has emerged on a consistent assistance strategy, or on whether assistance should be provided at all.

On the one hand, it has been argued the amount of assistance needed to support the FSU reform process is only a fraction of what was spent to defend against the Soviet military threat. However, some have questioned investing large sums into the region before basic economic and political stability is achieved.

These factors, combined with the uneven progress made by FSU republics in sustaining or initiating market reforms, explain why much of the aid and assistance that has been pledged has not been delivered. In addition, many donor nations are themselves facing uncertain economic conditions, making politicians reluctant to pledge additional sums of money for the FSU when funds are needed for domestic programs and deficit reduction.

Finally, recent signs of retrenchment on market reforms in several FSU republics, particularly in Russia where prominent market reformers have left the government and where their opponents hold a majority in the newly elected parliament, will likely further hinder the development of an assistance strategy and slow the already sluggish rate of disbursement. Given this setting, several policy shifts in agricultural assistance to the FSU are expected.

First, the scale of food aid, in the form of donations and concessional loans to the FSU, has begun to decrease, and is likely to fall even further in the near term. When Russia was suspended from the GSM-102 program in 1993, Congress approved increased export financing and food donations to the FSU. However, only about \$250 million (excluding GSM-102 credit guarantees) in food aid has been announced so far for fiscal 1994, and the total for the year is expected to be significantly lower than last year's \$1.56 billion.

Russian Ag Reform May Stall

Political developments in Russia since the December 1993 election have resulted in the formation of a significantly less reformist government. Although no changes have been implemented so far, statements by members of the new government, as well as a draft of a major new decree on state procurement for 1994, indicate that the policy changes being considered include:

- significant increases in state support for agriculture,
- strengthening state control over grain markets, and
- reintroduction of price controls for food.

If implemented, these policies would likely stall Russian agricultural reform and could lead to some disruptions in certain sectors of the Russian economy. The higher inflation that is expected with increased state support to agriculture may not cut agricultural output in 1994, but would eventually reduce incentives for agricultural production and marketing.

Strengthening state control over grain markets could reverse efforts to demonopolize grain purchases, formulated only last fall. Finally, price controls could hinder the marketing and distribution of food and agricultural inputs.

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The lower levels of food aid announced by the U.S. and other donors in 1994 are based on the acknowledgement that food problems in the FSU are largely the result of reduced purchasing power and supply disruptions caused by regional conflicts. Import demand for most

World Agriculture & Trade

agricultural commodities, especially grain, has fallen as a result of economic restructuring. Successful agricultural reform will significantly change the structure and volume of FSU agricultural imports, and food aid would not likely advance these necessary adjustments. However, some aid will likely be continued, in order to alleviate food distribution problems in areas affected by military conflict, as well as to supplement the diets of vulnerable groups.

Second, increased concerns over FSU creditworthiness, particularly Russia's, and expectations of decreased imports, mean relatively lower government-backed commercial credits and guarantees are likely to be allocated or requested.

Finally, it is expected that the focus of agricultural assistance will shift from providing bulk commodities, toward more technical support and investment. This could expand the role of international organizations such as the World Bank and the European Bank for Reconstruction and Development, as donors attempt to increase coordination and minimize costs.

The U.S. has already developed several technical assistance programs for the FSU. These include:

- setting up model farms;
- placing U.S. agribusiness executives in the FSU agro-industrial sector;
- providing fellowships to bring FSU mid-level agricultural specialists and managers to the U.S. for short-term training;
- developing agricultural marketing channels and extension services; and
- constructing on-farm storage units.

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Farm Finance



Adequate Farm Credit Available

The financial condition of agricultural lenders continued stable to improved in 1993, with modest performance gains expected in 1994. All four major institutional farm lender categories—commercial banks, the Farm Credit System (FCS), the Farmers Home Administration (FmHA), and life insurance companies—are in a stronger financial position now than during the mid-1980's.

Farmers who are good credit risks will have no difficulty in acquiring credit in 1994, mostly from commercial banks and the FCS, the largest suppliers. Banks' low loan-to-deposit ratios, despite some recent modest increases, can provide sufficient liquidity to meet increased credit needs.

The FCS is offering farms competitive interest rates and favorable credit arrangements in an effort to enhance loan quality and expand market share. And the availability of direct and guaranteed FmHA loans to family-size farmers unable to obtain credit elsewhere is expected to be adequate in fiscal 1994.

Total farm debt is expected to increase 1-2 percent in 1994, the fourth annual increase after 6 consecutive years of net debt retirement. However, most farmers remain cautious about taking on new debt for expansion. Farm sector debt per dollar of net cash income is at its lowest since 1973-74. With moderate loan demand expected and improved loan portfolios, agricultural lenders are focusing on generating high-quality loans to maintain or increase market share.

Farm Lending To Rise Moderately

Activity in the land market this year should generate moderate demand for mortgage loans, increasing farm real estate debt slightly in 1994. Although 1994 will mark 7 straight years of U.S. farmland value increases, the rate of increase has lagged the inflation rate the past 5 years. U.S. farmland values are expected to rise 2-3 percent in 1994, compared with increases of 2 percent in 1992 and slightly over 2 percent in 1993.

Commercial banks experienced a 4.7-percent increase in real estate lending in 1993, the 11th consecutive year of gains. Some of the long-term increase has been due to the frequent use of real estate as collateral for nonreal estate debt, started during the farm financial crisis of the mid-1980's. In addition, the use of revolving lines of credit secured by real estate has also increased since the mid-1980's.

Farm production loans are also projected to increase slightly in 1994. Farmers are expected to spend around \$155 billion in 1994 for agricultural inputs, up 2 to 3.5 percent from last year. The projected rise in input use will be due to farmers' expectations of lower energy prices and an increase in planted acreage. Planted acreage of major crops in 1994 will be up because of lowered acreage reduction program requirements.

Expanded acres combined with lower interest rates, higher asset values, and manageable debt levels will encourage greater purchases of farm tractors, combines, and other farm machinery in 1994.

than last year. The value of farm machinery is expected to rise in 1994. With capital depreciation of farm machinery exceeding capital investment every year since 1980, new machines are needed. Farm machinery sales in 1993 were up from a year earlier.

Credit Demand Was Moderate in 1993

Demand for agricultural credit was not strong in any farm lender category in 1993, while the capacity to lend remained relatively high. Total volume of both commercial bank and FCS farm loans increased in 1993.

Commercial banks posted volume gains of \$3.6 billion, or 7 percent, for 1993. The FCS reported total loans outstanding of \$53.3 billion on September 30, 1993, 1.7 percent above a year earlier. However, the FCS's long-term real estate loans outstanding were nearly constant during the year ending September 30, 1993, reflecting near-stable demand for mortgage credit.

FmHA total farm loans outstanding, excluding guaranteed loans, decreased 9.6 percent in 1993, and at yearend were 50 percent below the peak (\$24.5 billion) reported in 1985. In 1993, FmHA made direct loans (operating, real estate, and emergency loans) of \$671 million, down

5.9 percent from a year earlier, of which \$545 million was operating loans, down 4.5 percent from fiscal 1992.

Farm lending activity by life insurance companies was down 2.2 percent in 1993 and is expected to be down slightly in 1994. Outstanding loan volume by the end of 1993 was nearly 30 percent below the 1981 peak.

Farm Lenders Respond To Flood & Drought

The floods and drought of 1993 have had far-reaching impacts on U.S. agriculture, affecting about 40 percent of all U.S. counties. However, some farmers outside the disaster areas had a very profitable year due to higher prices in the wake of the floods and drought.

The strong capital position of most farm lenders should enable them to absorb moderate losses due to flood and drought and allow them the flexibility to deal with the financial problems of their customers. Aggregate data show that commercial lenders in affected areas generally entered the drought and flood periods in sound financial condition, with improved balance sheets, high profit margins, adequate capital, low loan-to-deposit ratios, and favorable interest rate margins.

The effects of the floods on farm banks should be viewed with some caution. Certain banks, especially those with large exposure in flood areas, could feel a significant impact, particularly banks that were in a weak position prior to the floods. And some farmers in flood-affected areas could be put out of business due to the added financial stress. But these individual cases are scattered over a wide area and vary greatly in detail and magnitude.

Many bankers in the flood-affected region are assisting their customers through deferred loan payments and loan restructuring. Bank regulators will not penalize banks that relax payback terms for stressed borrowers as long as ultimate repayment capacity exists. However, the lack of farm profitability must be a 1-year aberration and not part of a pattern of loss for farms that are granted leniency.

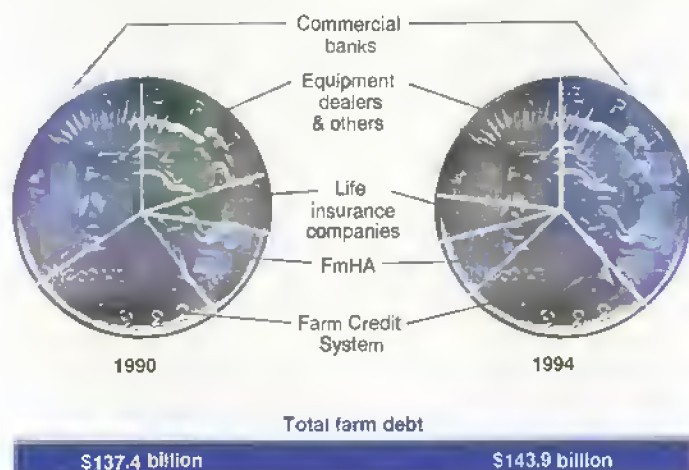
In addition, the FCS is addressing drought and flood problems, primarily through loan servicing options. The FCS has recovered from the problems of the 1980's, has the financial strength to meet current weather-induced problems, and has moved to defer debt payments of thousands of borrowers affected by last year's drought or floods. The large size of FCS units enables them to spread risk.

The disaster assistance programs of the Columbia, Omaha, and AgriBank Farm Credit Banks illustrate the importance of flexibility, the need to work with customers on a case-by-case basis, and the wide range of solutions available. CoBank, one of the FCS Banks for Cooperatives, estimates that only 2 percent of its customers in flood-stricken areas reported significant flood damage. However, some cooperatives may face reduced earnings, and CoBank will address any special needs on an individual basis.

FmHA Programs Address Disasters

Commercial farm lenders have utilized both existing and special disaster programs offered by FmHA. The following FmHA programs are instrumental in addressing disaster problems:

FmHA Share of Farm Lending Declines and Commercial Banks Gain*



Excludes CCC commodity loans. 1994 forecast.

Farm Finance

New Programs Aid Beginning Farmers

Reluctance of private lenders to lend to beginning farmers, combined with a rapidly aging farm population, have prompted the creation of new programs to provide affordable financing to beginning farmers. States may now finance equity capital requirements for beginning farmers through lower cost and lower risk options than previously available.

Permanent tax-exempt status for bonds. The Revenue Reconciliation Act of 1993 made the tax exempt status of states' special activity bonds permanent. Several states appropriate part of their bond issue for agricultural purposes. These "aggie bonds" are marketed to private lenders, and the proceeds provide low-interest loans to qualified beginning farmers or ranchers.

Aggie bonds enable participating states to promote additional financing for beginning farmers without significant budget outlays. In addition, investors benefit from the tax-exempt status of the bonds.

Applicants who have never owned either a farm valued over \$125,000 or a farm that was over 15 percent of the median farm size in the county of proposed operation, are eligible to borrow a maximum of \$200,000 to purchase farmland or make capital improvements. Up to \$125,000 may be used for depreciable property.

In addition, the 1993 legislation addresses environmental concerns for businesses with solid waste or sewage disposal needs. Many livestock facilities qualify for tax-exempt financing for solid waste disposal. These funds are not subject to the \$200,000 ceiling.

FmHA-state partnership program. The Agricultural Credit Improvement Act of 1992 authorized the Farmers Home Administration (FmHA) to establish partnerships with states that have, or want to set up, a beginning farmer loan program. Under partnership agreements, FmHA agrees to guarantee loans and provide downpayments for eligible beginning farmers to purchase land. As of January 1994, five states were operating programs in partnership with FmHA, and others have expressed interest.

Eligible beginning farmers must provide a minimum of 10 percent equity to obtain an FmHA partnership loan of up to

\$250,000. FmHA will then provide a downpayment loan of up to 30 percent of the value of the land and/or a 90-percent guarantee for the remaining 60 percent of the loan. If the state finances all but the farmer's 10 percent equity, FmHA will also guarantee 90 percent of the entire loan.

FmHA farmland and operating loans. The Agricultural Credit Improvement Act of 1992 also expanded FmHA loan programs for beginning farmers by establishing the Down Payment Farm Ownership and the Special Operating Loan Programs. Eligibility for both is limited to applicants who demonstrate insufficient funds to operate a viable farm enterprise, who have sufficient farm equipment, and who agree to participate in borrower training and loan assessment programs.

The Down Payment Farm Ownership Loan Program enables a beginning farmer with less than 10 years' experience to purchase farmland from a retiring farmer. FmHA will loan 30 percent of either the purchase price or the appraised value of the farmland—whichever is less—for 10 years at 4 percent interest. Applicants must cover a minimum of 10 percent of the loan and obtain financing from other sources on the remaining 60 percent, which FmHA may also guarantee. In 1993, FmHA made 10 loans to beginning farmers under the downpayment program, totaling \$393,000.

The Special Operating Loan Program provides operating funds for viable beginning farmers at interest rates comparable to other FmHA loans. Applicants must develop a 5-year plan demonstrating both the feasibility of their farm operation and their graduation from the program in 10 years. By the end of 1993, FmHA had made seven of these special operating loans totaling \$249,000.

These new FmHA programs for beginning farmers amounted to \$18.6 million, or 5 percent of total FmHA direct loans made in first-quarter fiscal 1994. A total of \$167 million in operating loans and \$43 million in farm ownership loans has been earmarked by FmHA for beginning farmers in fiscal 1994. By the end of 1993, FmHA had \$14 billion in total direct loans outstanding, accounting for 8.6 percent of total outstanding farm debt.

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- Emergency loans for physical loss, at 3.75-percent interest, are offered to repair or replace damaged buildings or equipment, or to replace lost livestock. The repayment period is up to 40 years.

- Emergency loans for production loss are offered to cover crop losses, at 3.75-percent interest, with a repayment period of up to 20 years. For

both physical and production losses, loans can be made to cover 80 percent of losses exceeding 30 percent of value, but a farmer's total cannot exceed \$500,000 per disaster.

- The interest rate on guaranteed FmHA loans may be reduced by as much as 4 percentage points if it helps a farmer meet loan obligations.
- Servicing primary loans could result in restructuring, with payments deferred for 5 years or forgiving up to \$300,000 in loans.

- FmHA also provides personnel for FEMA's Disaster Assistance Centers and sends "jump teams" into affected areas to take loan applications from affected farmers.

In certain local areas, another year of bad weather could be a major problem for some farm producers. This could place a number of farmers under financial stress and could place more loans in jeopardy

in about 12 to 18 months. This could result in nonperforming loans on commercial lenders' books and force examiners to write off these loans.

The improvement in farm lenders' financial situation expected in 1994 partly depends on a return to more normal weather in drought- and flood-stressed areas.

[Jerome M. Stam and George B. Wallace (202) 219-0892] **AO**



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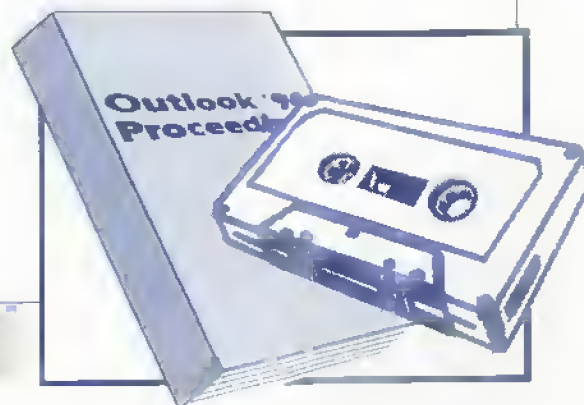
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Special Article



EU Enlargement On the Horizon

The European Union (EU) could add Austria, Finland, Sweden, and Norway to its roster of members by the beginning of next year if negotiations conclude on schedule. The EU began membership negotiations in April 1993 with Norway and in February 1993 with the other three countries. Successful completion of the talks would mean the EU's first enlargement since 1986.

Unlike the Spanish and Portuguese accession in 1986, which threatened the U.S. grain market share, the addition of these four countries is not expected to affect U.S. agricultural trade significantly. But several small niche markets for U.S. specialty products may shrink, and depending on the outcome of negotiations, market access for U.S. meat may be limited in these countries.

Among the areas of negotiation—which include agriculture and forestry; social and regional policy; free movement of services, workers, and capital; and external relations—agricultural issues have been among the most contentious. Despite agriculture's small share of trade between the EU and the four applicant countries, it is a significant issue because these countries fear the depopulation of their more remote Arctic and alpine villages once free trade in agricultural products with the EU is achieved.

The EU and applicant countries already have firmly established trade relationships, and considered as blocs, they are each other's most important trading partners. The EU exports about \$6.6 billion per year in food, beverages, and tobacco—mostly fruits, vegetables, and wine—to the applicant countries (6 percent of its total exports to these countries), and imports about \$4.5 billion. The applicant countries have an agricultural trade deficit with the EU of approximately \$2 billion per year. Ag commodities—mostly dairy products and meats—account for approximately 44 percent of their total exports to the EU.

Membership of Austria, Finland, Norway, and Sweden in the European Free Trade Association (EFTA), established by the Treaty of Stockholm in 1960, has smoothed their path toward EU membership. The EFTA and the EU established some reciprocal trade concessions in 1973 when three former EFTA members joined the EU. Further EU-EFTA negotiations led to the creation of the European Economic Area (EEA), allowing the free movement of goods (except agricultural), services, labor, and capital between the EU and the EFTA applicant countries.

Agricultural production would not be much greater in an EU enlarged by the four applicant countries, than in the 12 countries of the current EU. The impact on EU agricultural surpluses is estimated to be marginal. The EU-12 produces approximately 165 million tons of grains, 30 million tons of meats, and 110 million tons of milk annually. Given current production levels in the individual countries, a combined EU-16 would produce 178 million tons of grains, 31 million tons of meats, and 125 million tons of milk.

The EU also agreed last year to eventual membership of Central and Eastern European (CEE) countries, and in the early 1990's signed Association Agreements with the Czech Republic, Slovakia, Hungary, Poland, Bulgaria, and Romania. As "associate members" of the EU, these countries have very limited access to the EU market for agricultural products but no voice in the EU decision-making process. EU membership would provide full access to the EU market and to regional development funds.

Although most CEE countries would prefer to join the EU within the next few years, membership could be a decade away. Unlike the memberships currently being negotiated, enlargement of the EU to include these six Central and Eastern European countries would greatly expand agricultural production in the EU.

As Agricultural Outlook approached press time, the EU had concluded negotiations with Sweden, Finland, and Austria, clearing the way for membership of these countries in the EU by January 1995. Negotiations with Norway were continuing. EU membership requires approval by the European Parliament, a unanimous vote by all EU member states, and national ratification reinforced by each new member state.

Applicants Seek Concessions

As EU members, the applicant countries will gain access to the EU decision-making process, and become part of a large global trading block of 354 million persons. They will also become net contributors to the EU budget. Upon accession, each of these applicant countries must adopt the EU's Common Agricultural Policy (CAP).

In many respects, the agricultural sectors of the EU and the four applicant countries are similar—average EU farm size is 32.9 acres versus the applicants' 40.1 acres; agriculture claims 6 percent versus 5 percent of the labor force; and agriculture's contribution to GDP is 2.6 percent versus 2.7. But the level of government support for agriculture varies dramatically between the two blocs. In 1992, 47 percent of the value of EU agricultural production came from government support programs, versus an average of 63 percent in the four applicant countries.

The disparity in government programs reflects, in large part, the applicant countries' high level of support to alpine and Arctic farmers. In Sweden, for example, support varies by region, with the highest level paid to the northernmost region and the lowest level paid to the southernmost region.

Throughout negotiations, these countries have requested permanent economic support for some, if not all, of their Arctic and alpine agriculture in the form of EU regional aid, at levels higher than currently provided by the CAP. All applicants also want to continue national support to farmers.

In November 1993, the EU identified specific regions within the applicant countries as qualifying for the highest level of EU structural aid. Eligibility was based on per capita GDP, level of unemployment, population density, environmental difficulties, latitude, and geographic characteristics. National governments will be permitted to provide direct income support to farmers located in sparsely populated regions. The level of support would decline progressively over a transition period to comparable EU levels.

The EU rejected requests for a transition period to align the higher prices in applicant countries with the EU's lower prices and to strengthen import restrictions on cheaper EU products. In the spirit of the Single Market, CAP prices must be adopted upon accession and borders be fully open upon membership, but national governments may compensate farmers for differences in prices during a transition period. The applicants look with reservation on the prospect of paying national aid to farmers in addition to their annual EU budget contribution.

By mid-February 1994, no agreement had been reached on the level of support for Arctic and alpine farmers, or on Norway's demand to retain control over its fishing resources and continue whaling as an EU member. But negotiators had resolved some regional and specific country demands:

- the EU will adopt applicant countries' higher environmental standards over a 3-year transition period;
- all four applicants have accepted the Maastricht treaty, which calls for closer political, economic, and monetary union;
- the applicant countries agreed to make their legal frameworks compatible with EU laws and regulations by the time of accession;
- Norway will retain much of its sovereignty over its oil reserve;
- Sweden must end its state monopoly on the import and wholesale distribution of liquor but can continue to run its state retail monopoly; and
- Sweden will be permitted to honor its free trade agreements with the Baltic states—the EU will attempt to negotiate its own free trade accords with the Baltics by 1995.

Accession of the applicant countries into the EU, and the immediate adoption of EU prices, are expected to cut farm income significantly and cause a decline in output in all four countries. The predicted changes assume no significant alterations in EU policy and level of support beyond CAP reform.

Self-sufficiency levels in arable crops may gradually decline in the applicant countries—except for Sweden—due to their lack of competitiveness. Domestic production should continue to meet the demand for dairy products, although the level of self-sufficiency will depend on the import quota granted. Sugar production in the applicant countries is not expected to increase EU self-sufficiency, although the EU's sugar surplus could decline since the applicants are net importers. Current EU production levels of beef will likely be maintained.

EU-12 wine exports are expected to increase as wine markets are deregulated in the Nordic countries. Increased access to the fruit and vegetable markets in the applicant countries will benefit the EU's Mediterranean producers.

EU-16: A New U.S. Competitor?

While the four applicant countries—Austria, Finland, Norway, and Sweden—are not a large U.S. market, the U.S. could lose part of its \$300-million trade in agriculture and food exports to the region.

At the time of accession, EU standards will be extended to the applicant countries, potentially reducing U.S. exports to the region. The EU ban on hormone-treated meat and the Third Country Meat Directive (TCD) will be extended to the four

Special Article

Incomes and Farm Support Levels In Four Applicant Countries Are Higher on Average Than in EU



	Per cap. GNP (\$1,000)	Million popul.	% labor force in agriculture	Subsidy as % of farm income
EU-12	19.3	328	6	49
EFTA-4	23.6	26	5	66
CEE	2.0	96	16	N/A

1991 data.

N/A=Not available.

Source: Farm subsidy data from Organization for Economic Cooperation and Development.

applicant countries, which would restrict U.S. access to their meat market. The Third Country Meat Directive limits the number of U.S. slaughterhouses capable of shipping red meat—from 1,000 to just 12 EU-approved slaughterhouses. The U.S. currently exports \$16.5 million of beef and veal to the applicant countries.

With accession of the four applicant countries, EU oilseed area, as restricted by the U.S.-EU oilseed agreement, could increase by approximately 324,000 hectares to 5.45 million, less the set-aside. If oilseed producers in the applicant countries find that oilseed returns decline relative to grains, producers may shift acreage to grains or other crops. Higher yielding EU-12 oilseed producers may then opt to increase oilseed acreage and production, possibly displacing some oilseed imports from the U.S.

Current bilateral agreements between the U.S. and Austria grant U.S. access of 1,000 tons of high-quality beef exports to Austria. Agreements between the U.S. and the applicant countries grant the U.S. access to their cheese markets. The U.S. expects that, upon accession, these quotas would be rolled into the EU quota, a separate access quota maintained for each country, or compensation provided for the loss of market access.

Further Ahead: Central & Eastern Europe

Since the fall of the Berlin Wall, the countries of Central and Eastern Europe (CEE) have been looking to the European Union instead of the former Soviet Union for help in developing their economies. The EU signed Association Agreements with the Czech Republic, Slovakia, Hungary, and Poland in 1991, and with Bulgaria and Romania in 1993. In June 1993, the EU agreed to eventual membership for these six CEE countries, but no timetable was set for starting negotiations, which are not likely to begin before 2000.

While there seem to be many benefits for the EU in allowing the current applicant countries to join, there seem to be few for accepting the CEE countries as members. For one thing, the six CEE countries have about 96 million people whose per capita incomes are lower than in the EU or the current applicant countries. And agriculture is much more important to the economies of the six CEE countries than to the EU or the current applicant countries, and could be the hardest part of the CEE economies to reform. Agriculture accounts for about 15 percent of GDP in the CEE's, and employs almost one-sixth of their labor force.

The CEE countries produce a great deal more grains, meats, and milk than the current applicant countries, which means that the CAP would be adding a much larger share of production with the CEE's than with EFTA applicant countries. The potential for CEE production is even greater than their current output, particularly if they are brought under the price and income support mechanisms of the EU's CAP. CEE production has been depressed in recent years by drought and by the liquidation of herds in response to price liberalization.

Almost all of the agricultural land in the CEE countries (except Poland) was grouped into state and collective farms of thousands of acres. While many of these are being subdivided in the privatization process, CEE farms will likely end up being much larger than the EU's average 32 acres. The privatization process could result in CEE farms generally becoming an economically viable size, with economies of scale that make them competitive compared with the small farms in many of the EU countries.

Extending the CAP to the CEE countries would offer those farmers far greater incentive to produce than under their current systems. EU prices are well above the world price for most commodities—held high by intervention buying in the grains, beef, and dairy sectors, export refunds for most commodities, and high levels of border protection (except for oilseeds and nongrain feeds).

One of the main benefits for the EU is that as incomes rise in CEE countries, their consumers can be expected to purchase more goods and services from the EU. Nevertheless, trade has been growing rapidly even without membership. In general, the EU is importing mostly clothing, iron, and steel, while the CEE countries are importing vehicles, textile yarn and fabrics, and machinery.

Agricultural trade accounts for about 10 percent of total trade between the EU and the CEE countries. While the EU had a total trade surplus with the CEE countries of \$3 billion in 1992, the EU ran a trade deficit in food, beverages, and tobacco, importing \$2.4 billion while exporting \$1.7 billion.

Ideally, enlarging membership would help solve the EU's over-supply problems by adding countries with complementary products. However, adding the CEE countries would simply reinforce the EU's surpluses in cereals and livestock products. The CEE countries' lower production costs of these products as well as fruits and vegetables is also seen as a threat to EU farmers, who produce at higher cost.

The CEE countries would also be a drain on the EU budget. Under the EU's regional development program, these countries would be eligible for a significant amount of EU aid. The poorer current members of the EU fear aid once intended for them would be diverted to the CEE countries.

Dual Process Of Reform Underway

The agriculture sectors in the Central and Eastern European countries are still adjusting to market-driven systems. CEE agricultural structures must undergo significant reform before the EU will accept them, and reform in agriculture is key to the speed of integration with the EU. Issues such as land ownership, effective border control, and agricultural credit need to be resolved adequately. These countries are currently developing commodity exchanges, market news services, and standards organizations which must be compatible with those in Western Europe before they join the EU.

While the CEE countries strive to reform their agricultural structures, the EU is in the process of reforming its agricultural policies. By 1996, the EU will have cut prices for some commodities and instituted a supply control system, including a set-aside mechanism. EU farmers will receive both direct payments and prices above world-market levels. Budget strain brought about by the current reforms may make further agricultural reform of the CAP necessary later in the 1990's. This makes the CAP a moving target for the CEE countries, who need to understand how the CAP works now, and foresee where it will be in 10 years.

Since membership could be as much as a decade away, the effect of CEE accession to the EU on U.S. trade is unclear. CAP reform in the EU and the changes brought about by enlargement that includes the CEE could have a profound impact on the nature of EU competition the U.S. faces in the 21st century.

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Upcoming Reports USDA's Economic Research Service

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March

- 11 Cotton and Wool Update
- Aquaculture*
- 14 Feed Update
- Oil Crops Update
- 17 Sugar and Sweeteners*
- 18 Agricultural Outlook*
- 23 Fruit and Tree Nuts*
- Livestock, Dairy and Poultry
- 24 U.S. Agricultural Trade Update

* Release of summary

Statistical Indicators

Summary Data

Table 1.—Key Statistical Indicators of the Food & Fiber Sector

	1993					1994				
	I	II	III	IV	Annual	I F	II F	III F	Annual F	
Prices received by farmers (1977=100)	140	143	143	145	143	148	—	—	—	—
Livestock & products	162	167	161	158	162	157	—	—	—	—
Crops	117	119	125	130	123	137	—	—	—	—
Prices paid by farmers, (1977=100)										
Production items	176	180	179	191	179	182	—	—	—	—
Commodities & services, interest, taxes, & wages	192	196	195	196	195	197	—	—	—	—
Cash receipts (\$ bil.) 1/	170	180	175	182	171	—	—	—	—	—
Livestock (\$ bil.)	86	92	91	90	90	—	—	—	—	—
Crops (\$ bil.)	84	88	84	72	82	—	—	—	—	—
Market basket (1982-84=100)										
Retail cost	141	142	142	144	142	—	—	—	—	—
Farm value	105	107	104	104	105	—	—	—	—	—
Spread	160	160	162	165	162	—	—	—	—	—
Farm value/retail cost (%)	26	27	26	25	26	—	—	—	—	—
Retail prices (1982-84=100)										
Food	140	141	141	142	141	—	—	—	—	—
At home	139	140	140	141	140	—	—	—	—	—
Away from home	142	143	144	144	143	—	—	—	—	—
Agricultural exports (\$ bil.) 2/	11.4	10.1	9.2	11.5	42.6	11.5	10.1	9.4	42.5	
Agricultural imports (\$ bil.) 2/	6.4	6.3	5.7	6.3	24.6	6.2	6.0	6.0	24.5	
Commercial production										
Red meat (mil. lb.)	9,715	9,993	10,362	10,499	40,569	9,982	10,023	10,623	40,982	
Poultry (mil. lb.)	6,542	6,987	7,032	6,965	27,525	6,885	7,345	7,430	28,875	
Eggs (mil. doz.)	1,461	1,474	1,490	1,538	5,961	1,490	1,490	1,500	6,020	
Milk (bil. lb.)	37.8	39.8	37.5	36.6	151.5	37.9	39.8	37.8	152.7	
Consumption, per capita										
Red meat and poultry (lb.)	56.4	51.1	52.3	53.8	207.6	51.4	52.1	53.8	211.1	
Corn beginning stocks (mil. bu.) 3/	1,100.3	7,906.4	5,678.2	3,709.4	—	2,113.0	—	—	—	
Corn use (mil. bu.) 3/	2,676.9	2,229.2	1,970.8	1,599.3	8,476.1	2,528.7	—	—	7,875.0	
Prices 4/										
Choice steers—Neb. Direct (\$/cwt)	80.65	79.78	73.77	71.23	76.36	71-75	72-78	70-76	71-77	
Barrows & gilts—IA, So. MN (\$/cwt)	44.92	47.59	48.05	43.93	46.12	43-47	45-51	44-50	44-50	
Broilers—12-city (cts./lb.)	53.1	55.8	56.9	55.0	55.2	51-55	50-56	51-57	50-56	
Eggs—NY gr. A large (cts./doz.)	75.6	73.4	69.6	71.5	72.5	67-71	62-68	66-72	68-72	
Milk—all at plant (\$/cwt)	12.33	12.90	12.67	13.43	12.83	12.90-13.70	11.55-12.55	11.35-12.35	11.95-12.95	
Wheat—KC HRW ordinary (\$/bu.)	3.82	3.48	3.36	3.69	3.59	—	—	—	—	
Corn—Chicago (\$/bu.)	2.18	2.27	2.36	2.72	2.38	—	—	—	—	
Soybeans—Chicago (\$/bu.)	5.63	5.95	6.66	6.48	6.18	—	—	—	—	
Cotton—Avg. spot 41-34 (cts./lb.)	55.2	55.6	53.8	58.8	55.4	—	—	—	—	
	1985	1986	1987	1988	1989	1990	1991	1992	1993 F	
Farm real estate values 5/										
Nominal (\$ per acre)	713	640	599	632	661	668	681	684	700	
Real (1982 \$)	657	568	518	530	533	517	505	487	486	

1/ Quarterly data seasonally adjusted at annual rates. 2/ Annual data based on Oct.-Sept. fiscal years ending with year indicated. 3/ Sept.-Nov. first quarter; Dec.-Feb. second quarter; Mar.-May third quarter; Jun.-Aug. fourth quarter; Sept.-Aug. annual. Use includes exports & domestic disappearance. 4/ Simple averages, Jan.-Dec. 5/ 1990-93 values as of January 1. 1986-89 values as of February 1. 1985 values as of April 1. F = forecast, — = not available.

U.S. & Foreign Economic Data

Table 2.—U.S. Gross Domestic Product & Related Data

	Annual			1992	1993			
	1991	1992	1993	IV	I	II	III R	IV P
\$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	5,722.9	6,038.5	6,374.0	6,194.4	6,261.6	6,327.6	6,395.9	6,510.8
Gross national product	5,737.1	6,045.8	—	6,191.9	6,262.1	6,327.1	6,402.3	—
Personal consumption expenditures	3,906.4	4,139.9	4,390.6	4,256.2	4,296.2	4,359.9	4,419.1	4,487.4
Durable goods	457.8	497.3	537.7	516.6	515.3	531.8	541.9	561.9
Nondurable goods	1,257.9	1,300.9	1,350.2	1,331.7	1,335.3	1,344.8	1,352.4	1,368.4
Clothing & shoes	213.0	228.2	237.1	236.1	233.1	235.2	238.2	241.9
Food & beverages	621.4	633.7	658.3	647.6	648.2	654.1	660.0	671.1
Services	2,190.7	2,341.6	2,502.7	2,407.9	2,445.5	2,483.4	2,524.8	2,557.2
Gross private domestic investment	738.9	796.5	892.0	833.3	874.1	874.1	884.0	935.8
Fixed investment	745.5	789.1	875.2	821.3	839.5	861.0	876.3	924.1
Change in business inventories	-8.6	7.3	16.3	12.0	34.6	13.1	7.7	11.7
Net exports of goods & services	-19.6	-29.6	-65.7	-38.8	-48.3	-65.1	-71.9	-77.7
Government purchases of goods & services	1,099.3	1,131.8	1,157.1	1,143.8	1,139.7	1,158.6	1,164.8	1,165.3
1987 \$ billion (quarterly data seasonally adjusted at annual rates)								
Gross domestic product	4,861.4	4,986.3	5,132.7	5,068.3	5,078.2	5,102.1	5,138.3	5,212.1
Gross national product	4,874.5	4,994.0	—	5,068.4	5,080.7	5,104.1	5,145.8	—
Personal consumption expenditures	3,258.6	3,341.8	3,452.5	3,397.2	3,403.8	3,432.7	3,469.6	3,503.9
Durable goods	428.6	456.6	489.7	473.4	471.9	484.2	493.1	509.9
Nondurable goods	1,048.2	1,082.9	1,088.1	1,081.8	1,076.0	1,083.1	1,093.0	1,100.1
Clothing & shoes	184.7	193.7	199.2	200.0	194.8	197.8	200.6	203.7
Food & beverages	518.7	520.5	531.2	529.3	526.7	528.6	532.6	538.9
Services	1,783.8	1,822.3	1,874.7	1,842.0	1,855.9	1,865.4	1,883.5	1,893.9
Gross private domestic investment	675.7	732.9	820.9	763.0	803.0	803.6	813.4	863.6
Fixed investment	684.1	728.4	805.5	754.3	773.7	790.6	806.9	851.0
Change in business inventories	-8.4	6.5	15.4	8.7	29.3	13.0	6.5	12.7
Net exports of goods & services	-19.1	-33.8	-79.3	-38.8	-59.9	-75.2	-86.3	-95.6
Government purchases of goods & services	946.3	945.2	938.6	946.9	931.3	941.1	941.7	940.1
GDP implicit price deflator (% change)	3.9	2.9	2.6	3.3	3.6	2.3	1.6	1.3
Disposable personal income (\$ bil.)	4,230.5	4,500.2	4,706.0	4,657.6	4,597.5	4,692.2	4,723.7	4,810.7
Disposable per. income (1987 \$ bil.)	3,529.0	3,632.5	3,700.5	3,717.6	3,642.6	3,694.4	3,708.7	3,756.4
Per capita disposable per. income (\$)	16,741	17,615	18,222	18,153	17,876	18,196	18,265	18,549
Per capita dis. per. income (1987 \$)	13,965	14,219	14,329	14,490	14,163	14,326	14,341	14,484
U.S. population, total, incl. military abroad (mil.) *	252.7	255.5	258.2	256.5	257.1	257.7	258.5	259.0
Civilian population (mil.) *	250.5	253.5	256.4	254.6	255.3	255.9	256.7	257.2
	Annual			1992	1993			
	1991	1992	1993	Dec	Sept	Oct	Nov	Dec
Monthly data seasonally adjusted								
Industrial production (1987=100)	104.1	106.5	110.9	109.0	111.3	112.0	113.0	113.8
Leading economic indicators (1987=100)	97.1	98.1	98.8	99.2	98.6	99.1	99.6	100.3
Civilian employment (mil. persons)	116.9	117.6	119.3	118.3	119.6	119.9	120.3	120.7
Civilian unemployment rate (%)	6.6	7.3	6.7	7.2	6.6	6.6	6.4	6.3
Personal income (\$ bil. annual rate)	4,850.9	5,144.9	5,387.6	5,507.3	5,440.6	5,478.8	5,508.9	5,541.7
Money stock—M2 (daily avg.) (\$ bil.) 1/	3,455.3	3,509.0	3,566.2	3,509.0	3,548.6	3,548.2	3,559.4	3,566.2
Three-month Treasury bill rate (%)	5.42	3.45	3.02	3.25	2.96	3.04	3.12	3.08
AAA corporate bond yield (Moody's) (%)	8.77	8.14	7.22	7.98	6.66	6.67	6.93	6.93
Housing starts (1,000) 2/	1,014	1,200	1,285	1,286	1,371	1,390	1,450	1,540
Auto sales at retail, total (mil.)	8.4	8.4	8.7	8.7	8.5	9.0	9.0	8.8
Business inventory/sales ratio	1.54	1.50	—	1.46	1.46	1.45	1.44	—
Sales of all retail stores (\$ bil.) 3/	1,865.8	1,956.5	—	168.9	175.0	178.5	179.1	180.8
Nondurable goods stores (\$ bil.)	1,211.6	1,257.3	—	107.2	109.2	110.0	109.9	110.2
Food stores (\$ bil.)	378.9	384.0	—	32.6	32.8	33.3	33.3	33.5
Eating & drinking places (\$ bil.)	196.9	201.9	—	17.4	18.1	18.1	18.1	18.3
Apparel & accessory stores (\$ bil.)	97.5	105.0	—	9.1	9.0	9.1	9.1	9.0

1/ Annual data as of December of the year listed. 2/ Private, including farm. 3/ Annual total. P = preliminary. — = not available.

Note: * Population estimates based on 1990 census.

Information contact: Ann Duncan (202) 219-0313.

Table 3.—World Economic Growth

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992 E	1993 F	1994 F	Average 1983-92
Percent change in real GDP													
World	2.7	4.3	3.3	2.7	3.1	4.4	3.3	2.2	0.7	2.0	1.6	2.5	2.9
World, less U.S.	2.5	3.6	3.4	2.7	3.1	4.6	3.6	2.7	1.2	1.7	1.2	2.3	2.9
Developed	2.6	4.3	3.2	2.7	3.1	4.4	3.3	2.4	0.9	1.7	1.0	1.9	2.9
Developed, less U.S.	2.1	3.2	3.4	2.7	3.2	4.5	3.6	3.5	1.4	1.1	-0.3	1.3	2.9
United States	3.3	6.0	3.0	2.6	3.0	3.9	2.6	0.6	-0.7	2.6	2.9	3.0	2.7
Canada	3.2	6.4	4.7	3.3	4.1	4.7	2.5	0.4	-1.7	0.7	2.5	3.7	2.8
Japan	2.7	4.3	5.0	2.7	4.1	6.2	4.7	5.2	4.4	1.3	-0.5	0.5	4.0
Western Europe	1.6	2.4	2.5	2.7	2.6	3.7	3.2	2.8	0.2	1.0	-0.5	1.4	2.3
European Union	1.5	2.3	2.4	2.7	2.7	3.9	3.3	2.9	0.4	1.1	-0.3	1.4	2.3
Germany	1.5	2.8	1.9	2.2	1.4	3.7	3.3	2.9	0.6	2.1	-1.3	0.8	2.2
Central Europe	2.7	3.5	2.0	3.0	1.5	2.1	-0.3	-8.7	-13.6	-10.2	1.4	4.3	-1.8
Former Soviet Union	4.4	4.1	1.7	3.6	2.8	1.5	0.6	-5.8	-12.7	-17.5	-13.3	-6.8	-1.7
Developing	4.0	4.4	3.9	3.4	4.1	4.6	3.8	3.7	3.6	5.5	5.4	5.6	4.1
Asia	6.3	7.7	6.4	6.6	7.8	9.5	5.8	6.3	5.2	7.7	7.0	7.0	7.1
Pacific-Asia	8.9	8.4	6.7	7.3	9.0	9.5	8.1	6.6	6.4	9.0	8.0	7.9	7.9
China	10.1	14.4	12.3	8.2	11.0	10.7	4.3	5.4	6.4	12.8	11.0	10.0	9.6
South Asia	7.0	3.9	5.6	4.9	4.8	9.4	5.1	5.5	1.8	4.0	3.9	4.3	6.2
India	7.4	3.7	5.4	4.8	4.7	10.3	5.4	5.6	1.2	4.2	3.8	4.1	6.3
Latin America	-2.6	3.9	3.3	4.5	3.2	0.6	1.3	-0.1	3.1	2.2	3.5	4.5	1.9
Mexico	-4.2	3.7	2.7	-3.9	1.8	1.2	3.4	4.5	3.6	2.8	1.3	3.0	1.6
Caribbean/Central	0.2	0.5	2.2	2.1	2.8	-0.6	2.1	1.4	0.1	0.2	2.2	2.0	2.2
South America	-2.6	4.1	4.0	7.1	3.5	0.4	0.6	-1.7	3.0	1.9	4.2	6.1	2.0
Brazil	-3.4	5.4	7.9	8.0	3.3	-0.2	3.3	-4.2	1.2	-0.2	4.8	5.6	2.1
Middle East	8.5	0.5	-0.6	-6.9	-2.0	-2.1	2.8	3.2	1.9	7.5	6.6	4.5	1.3
Africa	1.2	1.0	3.0	2.4	0.4	2.7	3.0	1.9	2.2	2.0	2.1	2.9	2.0
North Africa	3.6	2.7	3.1	0.4	-0.1	1.3	2.9	1.8	2.8	1.4	1.6	2.3	2.0
Sub-Saharan	-0.4	-0.1	2.9	3.8	0.8	3.7	3.1	2.0	1.8	2.4	2.4	2.5	2.0
Mid-East & N. Africa	7.1	1.1	0.5	-4.7	-1.4	-1.1	2.8	2.8	2.2	5.7	5.2	3.9	1.5

E = estimate. F = forecast.

Information contact: Alberto Jerardo, (202) 219-0782.

Farm Prices

Table 4.—Indexes of Prices Received & Paid by Farmers, U.S. Average

	Annual			1993							1994
	1991	1992	1993 P	Jan	Aug	Sept	Oct	Nov	Dec R	Jan P	
1977 = 100											
Prices received											
All farm products	148	139	143	138	144	145	145	144	145	148	
All crops	129	121	123	117	125	128	130	128	133	137	
Food grains	115	139	129	136	119	124	130	143	150	150	
Feed grains & hay	117	116	115	107	115	113	118	125	133	140	
Feed grains	115	114	110	102	112	109	113	121	131	138	
Cotton	108	88	89	88	88	86	87	89	94	103	
Tobacco	161	154	154	162	143	155	167	162	162	182	
Oil-bearing crops	91	89	95	89	101	97	94	98	101	108	
Fruit, all	265	175	174	138	211	258	285	183	166	156	
Fresh market 1/	289	179	181	138	227	284	317	192	171	159	
Commercial vegetables	135	158	159	163	145	147	124	139	166	181	
Fresh market	140	158	166	170	149	151	120	141	179	197	
Potatoes & dry beans	141	124	151	132	147	131	130	164	158	156	
Livestock & products	161	157	182	159	162	160	159	158	158	167	
Meat animals	186	178	183	181	183	181	177	173	170	173	
Dairy products	126	135	132	129	129	131	135	140	140	140	
Poultry & eggs	124	117	127	122	130	126	128	129	127	124	
Prices paid											
Commodities & services, interest, taxes, & wage rates	187	189	195	192	195	195	199	196	196	197	
Production items	172	173	178	175	179	179	181	181	181	182	
Feed	123	123	124	122	—	—	127	—	—	138	
Feeder livestock	214	202	218	216	—	—	216	—	—	211	
Seed	163	162	169	162	—	—	169	—	—	171	
Fertilizer	134	131	128	128	—	—	127	—	—	127	
Agricultural chemicals	151	159	165	161	—	—	166	—	—	166	
Fuels & energy	203	199	201	199	—	—	204	—	—	189	
Farm & motor supplies	157	160	160	161	—	—	158	—	—	159	
Autos & trucks	244	258	272	265	—	—	278	—	—	278	
Tractors & self-propelled machinery	211	219	227	224	—	—	237	—	—	237	
Other machinery	226	233	243	235	—	—	248	—	—	248	
Building & fencing	146	150	159	152	—	—	160	—	—	160	
Farm services & cash rent	171	172	174	174	—	—	174	—	—	175	
Int. payable per acre on farm real estate debt	137	129	123	123	—	—	123	—	—	130	
Taxes payable per acre on farm real estate	164	171	180	180	—	—	180	—	—	189	
Wage rates (seasonally adjusted)	200	209	217	217	—	—	206	—	—	205	
Production (farms, interest, taxes, & wage rates)	175	176	178	175	—	—	178	—	—	180	
Ratio, prices received to prices paid (%) 2/	77	74	73	72	74	74	73	74	74	75	
Prices received (1910-14=100)	665	638	653	632	656	661	662	656	662	632	
Prices paid, etc. (parity index) (1910-14=100)	1,285	1,303	1,340	1,323	—	—	1,347	—	—	1,357	
Parity ratio (1910-14=100) (%)2/	51	49	49	48	—	—	49	—	—	48	

1/ Fresh market for noncitrus; fresh market & processing for citrus. 2/ Ratio of index of prices received for all farm products to index of prices paid for commodities & services, interest, taxes, & wage rates. Ratio uses the most recent prices paid index. Prices paid data are quarterly & will be published in January, April, July, & October. R = revised. P = preliminary. — = not available.

Information contact: Ann Duncan (202) 219-0313.

Table 5.—Prices Received by Farmers, U.S. Average

	Annual 1/			1993						1994
	1991	1992	1993 P	Jan	Aug	Sept	Oct	Nov	Dec R	Jan P
CROPS										
All wheat (\$/bu.)	3.00	3.24	3.20	3.37	2.95	3.11	3.22	3.47	3.60	3.81
Rice, rough (\$/cwt)	7.58	5.89	9.00	6.35	5.19	5.21	8.10	8.06	8.91	8.60
Corn (\$/bu.)	2.37	2.07	2.60	2.03	2.25	2.21	2.29	2.45	2.87	2.83
Sorghum (\$/cwt)	4.01	3.38	4.30	3.38	3.78	3.69	3.81	4.23	4.54	4.78
All hay, baled (\$/ton)	71.20	74.30	81.00	75.10	78.80	77.60	82.50	83.80	84.20	85.70
Soybeans (\$/bu.)	5.58	5.56	6.50	5.58	6.56	6.21	6.01	6.32	6.64	6.85
Cotton, upland (cts./lb.)	56.8	53.7	6/ 53.3	53.0	53.1	51.9	52.8	53.9	57.1	62.2
Potatoes (\$/cwt)	4.96	5.52	6.22	5.15	5.91	5.10	5.01	6.40	6.12	6.02
Lettuce (\$/cwt) 2/	11.40	12.40	18.00	10.80	14.90	18.80	12.20	10.70	8.93	8.17
Tomatoes fresh (\$/cwt) 2/	31.80	35.60	31.60	38.30	32.70	29.80	20.20	32.30	57.50	56.70
Onions (\$/cwt)	12.50	13.00	15.80	18.60	15.00	13.50	12.00	17.20	24.10	32.00
Dry edible beans (\$/cwt)	15.60	19.90	23.50	21.20	19.10	21.30	22.90	26.30	24.90	25.90
Apples for fresh use (cts./lb.)	25.1	19.2	—	18.3	23.1	26.5	22.4	20.5	19.0	19.1
Pears for fresh use (\$/ton)	385.00	378.00	371.00	370.00	353.00	400.00	391.00	381.00	323.00	280.00
Oranges, all uses (\$/box) 3/	6.79	5.50	3.11	2.56	5.44	10.52	11.87	5.25	3.95	3.91
Grapefruit, all uses (\$/box) 3/	5.55	6.23	2.60	3.11	2.44	3.51	8.13	4.19	4.35	3.20
LIVESTOCK										
Beef cattle (\$/cwt)	72.90	71.30	73.30	74.20	72.60	71.40	69.10	69.30	68.50	69.00
Calves (\$/cwt)	99.90	89.40	95.80	93.20	95.10	93.30	93.80	91.50	92.60	93.80
Hogs (\$/cwt)	48.80	42.10	45.40	41.40	47.50	47.80	47.00	42.80	40.60	42.70
Lambs (\$/cwt)	52.50	60.80	64.50	67.00	59.40	64.70	64.50	65.80	66.00	61.90
All milk, sold to plants (\$/cwt)	12.27	13.15	12.83	12.50	12.50	12.70	13.10	13.60	13.60	13.60
Milk, manuf. grade (\$/cwt)	11.05	11.91	11.77	11.10	11.00	11.90	12.40	12.70	12.50	12.30
Broilers (cts./lb.)	31.0	30.8	34.2	31.5	36.3	36.5	35.1	34.7	33.8	33.4
Eggs (cts./doz.) 4/	66.0	56.4	62.9	63.7	61.3	56.1	60.0	62.6	63.1	61.9
Turkeys (cts./lb.)	37.7	37.6	38.9	35.9	39.5	40.4	43.1	42.9	40.9	36.8
Wool (cts./lb.) 5/	55.0	74.0	—	43.3	38.8	37.8	51.6	50.8	38.1	7/

1/ Season average price by crop year for crops. Calendar year average of monthly prices for livestock. 2/ Excludes Hawaii. 3/ Equivalent on-tree returns.

4/ Average of all eggs sold by producers including hatching eggs & eggs sold at retail. 5/ Average local market price, excluding incentive payments.

6/ Average for Aug. 1 - Dec. 1. 7/ Monthly prices discontinued. P = preliminary. R = revised. — = not available.

Information contact: Ann Duncan (202) 219-0313.

Producer & Consumer Prices

Table 6.—Consumer Price Index for All Urban Consumers, U.S. Average (Not Seasonally Adjusted)

	Annual	1993								1994
	1993	Jan	June	July	Aug	Sept	Oct	Nov	Dec	Jan
		1982-84=100								
Consumer Price Index, all items	144.5	142.8	144.4	144.4	144.8	145.1	145.7	145.8	145.8	146.2
Consumer Price Index, less food	145.1	143.1	145.1	145.2	145.6	145.1	146.4	146.8	146.4	146.8
All food	140.9	139.8	140.4	140.3	140.9	141.1	141.6	141.9	142.7	143.7
Food away from home	143.2	142.0	143.2	143.4	143.6	143.8	144.0	144.2	144.3	144.5
Food at home	140.1	139.1	139.3	139.1	139.7	140.0	140.6	141.2	142.3	143.8
Meats 1/	134.6	132.3	134.9	135.5	135.8	135.5	135.9	136.3	136.9	136.1
Beef & veal	137.1	135.1	137.6	137.4	137.4	137.0	137.2	138.0	137.7	137.3
Pork	131.7	127.9	132.1	134.2	133.8	134.6	134.6	134.4	133.1	133.9
Poultry	138.9	134.6	136.5	136.0	137.5	138.0	139.2	139.7	141.1	140.5
Fish	156.8	157.2	154.8	153.2	154.1	155.4	157.4	158.9	158.7	163.2
Eggs	117.1	116.2	118.4	115.1	117.4	113.4	114.9	116.0	116.0	118.5
Dairy products 2/	129.4	129.5	129.6	130.2	130.5	129.6	129.5	129.5	130.2	131.6
Fats & oils 3/	130.0	130.2	130.1	130.4	130.1	130.0	130.0	129.2	129.4	131.3
Fresh fruit	188.6	191.0	176.1	178.7	184.7	193.3	197.7	194.4	205.4	207.2
Processed fruit	132.3	133.3	129.7	131.0	132.2	132.4	132.8	133.4	133.7	134.6
Fresh vegetables	168.4	172.4	167.1	155.8	156.1	157.4	157.7	166.1	174.9	181.7
Potatoes	154.6	139.7	163.4	165.2	165.6	156.1	152.1	158.3	165.0	169.4
Processed vegetables	130.8	129.8	130.9	131.2	131.4	130.9	131.7	131.7	132.8	135.8
Cereals & bakery products	156.6	153.4	156.7	157.2	157.5	157.7	158.1	157.9	158.9	160.3
Sugar & sweets	133.4	133.1	133.1	133.2	133.7	133.3	134.1	133.7	133.3	134.9
Beverages, nonalcoholic	114.6	113.5	114.6	114.4	114.1	113.8	115.4	115.4	114.8	116.1
Apparel										
Apparel, commodities less footwear	131.9	127.3	129.7	126.9	130.0	133.0	134.7	134.6	130.3	127.5
Footwear	125.9	124.4	125.8	123.9	123.5	128.2	127.3	127.4	125.8	125.9
Tobacco & smoking products	228.4	234.6	236.2	235.8	227.9	215.1	214.0	214.5	215.5	217.6
Beverages, alcoholic	149.6	148.7	149.8	149.8	149.7	149.9	150.1	150.0	150.3	151.0

1/ Beef, veal, lamb, pork, & processed meat. 2/ Includes butter. 3/ Excludes butter.

Information contact: Ann Duncan (202) 219-0313.

Table 7.—Producer Price Indexes, U.S. Average (Not Seasonally Adjusted)

	Annual			1992	1993					
	1990	1991	1992	Dec	July R	Aug R	Sept	Oct	Nov	Dec
	1982 = 100									
All commodities	116.3	116.5	117.2	117.6	119.2	118.7	118.7	119.1	118.9	118.4
Finished goods 1/	119.2	121.7	123.2	123.8	125.3	124.2	123.9	124.7	124.4	124.1
All foods 2/	123.2	122.2	120.9	122.1	123.1	123.2	123.4	123.4	125.2	125.9
Consumer foods	124.4	124.1	123.3	124.2	125.0	125.4	125.8	125.5	126.7	127.2
Fresh fruit & melons	118.1	120.9	84.0	85.0	80.5	84.7	81.5	88.6	90.3	93.7
Fresh & dried vegetables	118.1	103.8	115.0	134.1	116.3	117.8	115.4	103.2	144.9	160.1
Dried fruit	106.7	111.8	114.6	115.1	118.9	118.1	117.9	121.1	120.8	121.8
Canned fruit & juice	127.0	128.6	134.5	129.8	126.5	126.8	126.3	125.8	126.7	126.3
Frozen fruit & juice	139.0	116.3	125.9	113.1	114.0	114.0	114.8	116.2	117.6	115.8
Fresh veg. excl. potatoes	107.8	100.2	118.4	133.4	98.4	110.5	115.2	89.5	141.1	167.0
Canned veg. & juices	116.7	112.9	109.5	109.8	111.1	109.6	110.9	112.0	113.1	112.3
Frozen vegetables	118.4	117.6	116.4	118.0	121.3	122.1	122.1	123.3	123.7	125.4
Potatoes	157.3	125.7	118.4	108.3	137.3	143.7	134.0	143.7	197.7	178.8
Eggs for fresh use (1991=100)	3/	3/	78.6	89.9	77.5	89.0	75.7	85.8	88.5	86.0
Bakery products	141.0	146.6	152.5	154.5	156.6	156.8	157.3	157.8	157.9	157.9
Meats	117.0	113.5	106.7	108.1	111.5	110.2	110.2	108.1	107.4	106.3
Beef & veal	116.0	112.2	109.5	113.2	112.5	110.9	110.5	105.9	107.2	107.3
Pork	119.8	113.4	88.9	97.9	108.4	107.0	108.0	108.9	104.2	101.0
Processed poultry	113.6	109.9	109.0	109.1	110.2	112.8	115.3	115.9	113.7	113.0
Fish	147.2	149.5	156.1	163.0	147.3	145.4	147.9	155.1	154.6	156.2
Dairy products	117.2	114.6	117.9	117.4	119.2	117.9	118.3	118.8	120.3	121.0
Processed fruits & vegetables	124.7	119.8	120.8	118.4	119.0	118.7	119.1	119.9	120.7	120.5
Shortening & cooking oil	123.2	116.5	115.1	119.0	127.4	125.7	126.5	126.4	125.3	131.8
Soft drinks	122.3	125.5	125.6	125.7	125.4	125.8	125.8	126.2	125.5	125.1
Consumer finished goods less foods	115.3	118.7	120.8	121.1	123.0	120.9	120.6	121.2	120.3	119.4
Beverages, alcoholic	117.2	123.7	126.1	125.7	125.8	125.8	125.7	125.9	125.8	125.6
Apparel	117.5	119.6	122.2	122.9	123.3	123.3	123.3	123.2	123.2	122.9
Footwear	125.6	128.6	132.0	133.3	134.8	134.8	135.0	134.7	134.7	135.0
Tobacco products	221.4	249.7	275.3	285.1	287.2	213.3	213.5	214.0	213.5	221.2
Intermediate materials 4/	114.5	114.4	114.7	114.8	116.6	116.6	116.8	116.6	116.2	115.9
Materials for food manufacturing	117.9	115.3	113.9	113.3	116.5	116.1	116.5	116.8	117.6	119.0
Flour	103.6	96.8	109.5	105.5	105.7	109.2	106.3	109.4	111.8	116.7
Refined sugar 5/	122.7	121.8	119.8	119.0	117.7	118.4	119.4	119.0	118.8	118.9
Crude vegetable oils	115.8	103.0	97.1	101.1	116.0	114.4	111.5	111.0	117.9	136.6
Crude materials 6/	108.9	101.2	100.4	100.9	101.5	100.6	101.0	102.2	102.5	100.4
Foodstuffs & feedstuffs	113.1	105.5	105.1	104.6	107.5	108.0	107.5	105.6	109.5	111.5
Fruits & vegetables & nuts 7/	117.5	114.7	96.9	106.3	97.5	99.7	101.5	94.4	114.6	121.4
Grains	97.4	92.0	97.3	89.2	91.2	93.9	92.2	96.4	105.9	116.4
Livestock	115.6	107.9	104.7	106.3	105.0	107.1	105.7	100.0	100.5	99.2
Poultry, live	118.8	111.2	112.8	108.8	124.4	125.9	135.1	126.1	127.2	118.4
Fibers, plant & animal	117.8	115.1	89.8	87.3	90.8	88.5	89.4	92.0	88.8	98.1
Fluid milk	100.8	89.5	96.1	92.4	94.9	92.6	93.1	94.9	97.3	98.7
Oilseeds	112.1	106.4	107.5	107.1	127.9	123.8	118.4	114.3	119.1	127.0
Tobacco, leaf	95.8	101.1	101.0	106.1	91.8	93.1	99.6	102.2	98.9	105.5
Sugar, raw cane	119.2	113.7	112.1	111.1	114.1	115.9	115.3	114.6	114.6	115.4

1/ Commodities ready for sale to ultimate consumer. 2/ Includes all raw, intermediate, & processed foods (excludes soft drinks, alcoholic beverages, & manufactured animal feeds). 3/ New index beginning Dec. 1991. 4/ Commodities requiring further processing to become finished goods. 5/ All types & sizes of refined sugar. 6/ Products entering market for the first time that have not been manufactured at that point. 7/ Fresh & dried. R = revised

Information contact: Ann Duncan (202) 219-0313.

Farm-Retail Price Spreads

Table 8.—Farm-Retail Price Spreads

	Annual			1992	1993					
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec
Market basket 1/										
Retail cost (1982-84=100)	137.4	138.4	141.9	139.5	141.0	141.8	142.2	142.8	143.2	144.6
Farm value (1982-84=100)	106.1	103.4	104.9	103.3	104.2	103.8	104.9	102.2	104.1	104.3
Farm-retail spread (1982-84=100)	154.2	157.3	161.9	159.1	160.8	162.2	162.2	164.7	164.2	168.3
Farm value-retail cost (%)	27.0	26.2	25.9	25.9	25.9	25.6	25.8	25.1	25.5	25.3
Meat products										
Retail cost (1982-84=100)	132.5	130.7	134.8	131.1	135.5	135.8	135.5	135.9	136.3	135.9
Farm value (1982-84=100)	110.0	104.5	107.2	105.5	108.0	105.1	106.9	103.3	101.0	97.4
Farm-retail spread (1982-84=100)	155.6	157.5	162.8	157.4	163.7	166.9	164.9	169.3	172.5	175.4
Farm value-retail cost (%)	42.0	40.5	40.3	40.8	40.4	39.2	39.9	38.5	37.5	36.3
Dairy products										
Retail cost (1982-84=100)	125.1	128.5	129.4	129.1	130.2	130.5	129.6	129.5	129.5	130.2
Farm value (1982-84=100)	90.0	95.9	93.0	92.8	95.8	93.5	91.7	92.2	95.7	97.1
Farm-retail spread (1982-84=100)	157.5	158.8	162.9	162.5	162.1	164.8	164.5	163.9	160.7	160.7
Farm value-retail cost (%)	34.5	35.8	34.5	34.5	35.2	34.4	34.0	34.1	35.4	35.8
Poultry										
Retail cost (1982-84=100)	131.5	131.4	136.9	133.7	136.0	137.5	138.0	139.2	139.7	141.1
Farm value (1982-84=100)	102.5	104.0	111.5	103.8	113.7	117.5	118.5	116.0	114.8	110.9
Farm-retail spread (1982-84=100)	164.9	163.0	166.2	168.1	161.7	160.5	160.5	165.9	168.4	175.9
Farm value-retail cost (%)	41.7	42.4	43.6	41.8	44.7	45.7	48.0	44.6	44.0	42.1
Eggs										
Retail cost (1982-84=100)	121.2	108.3	117.1	117.7	115.1	117.4	113.4	114.9	118.0	116.0
Farm value (1982-84=100)	100.9	77.8	88.9	95.4	80.8	88.0	77.9	84.2	89.5	89.2
Farm-retail spread (1982-84=100)	157.6	163.2	167.8	157.8	176.7	170.2	177.2	170.0	169.1	164.2
Farm value-retail cost (%)	53.5	46.1	48.8	52.1	45.1	48.2	44.1	47.1	48.8	49.4
Cereal & bakery products										
Retail cost (1982-84=100)	145.8	151.5	156.8	153.3	157.2	157.5	157.7	158.1	157.9	158.9
Farm value (1982-84=100)	85.3	94.7	91.4	89.4	85.5	87.5	87.7	93.2	100.9	105.8
Farm-retail spread (1982-84=100)	154.3	159.4	165.8	162.2	167.2	167.3	167.5	167.2	165.9	166.3
Farm value-retail cost (%)	7.2	7.7	7.1	7.1	6.7	6.8	6.8	7.2	7.8	8.1
Fresh fruits										
Retail cost (1982-84=100)	200.1	189.8	195.8	189.6	183.5	192.1	203.7	208.1	204.3	216.6
Farm value (1982-84=100)	174.4	122.5	134.8	127.2	129.7	134.5	152.2	142.8	129.7	128.2
Farm-retail spread (1982-84=100)	211.9	220.6	224.0	218.4	208.3	218.7	227.5	238.2	238.7	257.4
Farm value-retail cost (%)	27.5	20.4	21.7	21.2	22.3	22.1	23.6	21.7	20.1	18.7
Fresh vegetables										
Retail cost (1982-84=100)	154.4	157.9	168.4	168.1	155.8	156.1	157.4	157.7	166.1	174.9
Farm value (1982-84=100)	110.8	120.5	128.4	126.0	109.4	112.4	119.1	100.9	125.4	137.6
Farm-retail spread (1982-84=100)	178.8	177.2	189.0	186.7	179.7	178.5	177.1	186.9	187.0	194.1
Farm value-retail cost (%)	24.4	25.9	25.9	25.8	23.8	24.5	25.7	21.7	25.6	26.7
Processed fruits & vegetables										
Retail cost (1982-84=100)	130.2	133.7	131.5	131.4	131.0	131.7	131.6	132.2	132.5	133.2
Farm value (1982-84=100)	120.6	129.0	106.3	111.2	105.0	105.3	106.5	107.5	106.2	116.3
Farm-retail spread (1982-84=100)	133.2	135.2	139.4	137.7	139.1	139.9	139.4	139.9	140.7	138.5
Farm value-retail cost (%)	22.0	22.9	19.2	20.1	19.1	19.0	19.2	19.3	19.0	20.8
Fats & oils										
Retail cost (1982-84=100)	131.7	129.8	130.0	128.4	130.4	130.1	130.0	130.0	129.2	129.4
Farm value (1982-84=100)	98.0	93.2	107.5	98.0	114.3	107.8	109.9	106.6	118.3	128.9
Farm-retail spread (1982-84=100)	144.2	143.3	138.3	139.6	136.3	138.3	137.4	138.9	133.2	129.6
Farm value-retail cost (%)	20.0	19.3	22.2	20.5	23.6	22.3	22.7	22.1	24.6	26.8
	Annual			1993						1994
	1991	1992	1993	Jan	Aug	Sept	Oct	Nov	Dec	Jan
Beef, Choice										
Retail price 2/ (cts./lb.)	288.3	284.8	293.4	288.4	290.9	288.4	288.5	291.0	288.2	286.8
Wholesale value 3/ (cts.)	182.5	179.6	182.5	188.5	179.4	176.3	171.6	174.2	170.6	172.4
Net farm value 4/ (cts.)	160.2	161.8	164.1	170.2	160.1	156.2	151.0	152.1	152.3	154.4
Farm-retail spread (cts.)	128.1	122.8	129.3	118.2	130.8	132.2	137.5	138.9	135.9	132.4
Wholesale-retail 5/ (cts.)	105.8	105.0	110.9	99.9	111.5	112.1	116.9	118.8	117.6	114.4
Farm-wholesale 6/ (cts.)	22.3	17.8	18.4	18.3	19.3	20.1	20.6	22.1	18.3	18.0
Farm value-retail price (%)	56	57	56	59	55	54	52	52	53	54
Pork										
Retail price 2/ (cts./lb.)	211.9	198.0	197.6	196.0	198.7	201.6	201.2	202.1	201.1	201.2
Wholesale value 3/ (cts.)	108.9	98.9	102.8	95.0	105.8	105.5	106.5	103.7	102.7	104.3
Net farm value 4/ (cts.)	78.4	67.8	72.5	66.0	76.9	77.0	75.0	68.2	64.1	69.7
Farm-retail spread (cts.)	133.5	130.2	125.1	130.0	121.8	124.8	126.2	133.9	137.0	131.5
Wholesale-retail 5/ (cts.)	103.0	99.1	94.8	101.0	92.9	96.1	84.7	98.4	98.4	96.9
Farm-wholesale 6/ (cts.)	30.5	31.1	30.3	29.0	28.9	28.5	31.5	35.5	38.8	34.6
Farm value-retail price (%)	37	34	37	34	39	38	37	34	32	35

1/ Retail costs are based on CPI-U of retail prices for domestically produced farm foods, published monthly by BLS. The farm value is the payment for the quantity of farm equivalent to the retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale & may include marketing charges such as grading & packing for some commodities. The farm-retail spread, the difference between the retail price & the farm value, represents charges for assembling, processing, transporting, distributing. 2/ Weighted average price of retail cuts from pork & choice yield grade 3 beef. Prices from BLS. 3/ Value of wholesale (boxed beef) & wholesale cuts (pork) equivalent to 1 lb. of retail cuts adjusted for transportation costs & byproduct values. 4/ Market value to producer for live animal equivalent to 1 lb. of retail cuts, minus value of byproducts. 5/ Charges for retailing & other marketing services such as wholesaling, & in-city transportation. 6/ Charges for livestock marketing, processing, & transportation.

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Table 9.—Price Indexes of Food Marketing Costs

	Annual			1992		1993			
	1991	1992	1993	III	IV	I	II	III	IV P
	1967=100*								
Labor—hourly earnings & benefits	409.7	418.8	431.9	419.2	422.4	426.9	432.6	432.2	435.9
Processing	420.4	436.7	449.0	436.3	439.9	443.5	450.1	450.1	452.5
Wholesaling	443.8	458.8	475.1	460.0	463.9	469.6	475.7	476.1	479.2
Retailing	383.9	383.4	395.7	384.1	386.5	391.8	396.1	395.0	400.2
Packaging & containers	371.2	370.1	371.1	369.7	371.4	370.8	369.3	368.4	376.1
Paperboard boxes & containers	320.3	324.8	322.9	325.1	324.9	324.2	323.5	322.4	321.4
Metal cans	470.5	478.1	487.7	477.7	477.7	478.0	478.2	477.7	516.9
Paper bags & related products	410.9	387.8	387.3	384.5	393.0	392.5	390.6	385.1	381.0
Plastic films & bottles	310.7	309.9	307.9	310.2	313.2	311.2	305.2	304.9	310.3
Glass containers	446.0	444.4	446.8	444.0	443.1	442.8	444.8	450.3	449.1
Metal foil	251.6	241.0	238.8	241.5	240.9	239.4	238.5	238.5	238.9
Transportation services	422.6	426.1	425.9	426.9	424.0	425.4	426.0	426.2	428.0
Advertising	460.1	484.0	507.6	486.0	490.2	500.2	505.6	510.1	514.4
Fuel & power	655.7	654.6	671.7	678.3	673.9	661.2	676.2	676.9	672.3
Electric	508.3	514.0	522.3	536.2	511.8	508.1	520.9	549.4	513.0
Petroleum	649.8	639.9	638.9	685.6	681.1	645.7	664.0	609.5	636.3
Natural gas	1,065.0	1,061.1	1,132.9	1,053.5	1,101.8	1,108.4	1,119.5	1,139.0	1,164.7
Communications, water & sewage	261.7	266.9	270.0	267.5	268.4	269.0	268.4	270.3	272.2
Rent	282.7	278.3	273.3	277.0	276.7	273.8	274.6	272.3	272.3
Maintenance & repair	442.7	454.8	465.2	455.2	458.6	462.6	466.2	467.4	464.5
Business services	425.4	441.9	459.3	442.5	447.7	451.9	457.9	463.1	464.4
Supplies	319.3	318.1	321.3	320.9	320.1	319.6	321.9	321.6	322.1
Property taxes & insurance	480.5	496.7	512.9	497.8	503.2	507.5	510.9	514.8	518.4
Interest, short-term	114.5	74.4	64.7	66.7	69.8	64.3	63.7	64.8	65.9
Total marketing cost index	409.3	415.8	425.2	417.2	419.1	421.4	425.3	425.6	428.6

* Indexes measure changes in employee earnings & benefits & in prices of supplies & services used in processing, wholesaling, & retailing U.S. farm foods purchased for at-home consumption. P = preliminary.

Information contact: Denis Dunham (202) 219-0870.

Livestock & Products

Table 10.—U.S. Meat Supply & Use

	Beg. stocks	Production 1/	Imports	Total supply	Exports	Ending stocks	Consumption		Primary market price 3/
							Total	Per capita 2/	
				Million pounds 4/				Pounds	
Beef									
1991	397	22,917	2,408	25,720	1,188	419	24,113	66.8	74.28
1992	419	23,088	2,440	25,945	1,324	360	24,261	66.5	75.36
1993	380	23,058	2,400	25,818	1,275	527	24,016	65.1	76.36
1994 F	527	23,843	2,340	26,710	1,410	375	24,925	66.9	71-77
Pork									
1991	296	15,999	775	17,070	283	388	16,399	50.4	49.69
1992	388	17,234	645	18,267	407	385	17,475	53.1	43.03
1993	385	17,080	734	18,199	412	368	17,419	52.3	46.12
1994 F	368	16,704	770	17,842	400	375	17,067	50.8	44-50
Veal 5/									
1991	8	306	0	312	0	7	305	1.0	99.94
1992	7	310	0	317	0	5	312	1.0	89.38
1993	5	280	0	285	0	4	281	0.9	95.77
1994 F	4	278	0	282	0	5	277	0.9	90-96
Lamb & mutton									
1991	8	363	41	412	10	6	396	1.4	53.21
1992	6	348	50	404	8	8	388	1.4	61.00
1993	8	334	52	394	9	8	377	1.3	65.85
1994 F	8	340	52	400	8	9	383	1.3	61-67
Total red meat									
1991	707	39,585	3,223	43,515	1,481	820	41,214	119.6	—
1992	820	40,978	3,135	44,933	1,739	758	42,436	121.9	—
1993	758	40,752	3,186	44,696	1,696	907	42,093	119.6	—
1994 F	907	41,165	3,162	45,234	1,818	764	42,652	119.8	—
Broilers									
1991	28	19,591	0	19,617	1,261	36	19,320	63.7	54.8
1992	36	20,904	0	20,940	1,489	33	19,418	66.8	52.6
1993	33	22,004	0	22,037	1,910	27	20,100	68.4	55.2
1994 F	27	23,196	0	23,223	2,000	33	21,190	71.4	50-56
Mature chicken									
1991	224	508	0	732	28	274	429	1.7	—
1992	274	520	0	794	41	345	408	1.6	—
1993	345	515	0	860	55	342	463	1.8	—
1994 F	342	528	0	870	60	340	470	1.8	—
Turkeys									
1991	306	4,603	0	4,909	103	264	4,541	18.0	61.3
1992	264	4,777	0	5,041	171	272	4,599	18.0	60.2
1993	272	4,795	0	5,067	230	251	4,567	17.8	62.6
1994 F	251	4,925	0	5,176	200	275	4,701	18.0	59-65
Total poultry									
1991	557	24,701	0	25,258	1,392	575	23,291	83.4	—
1992	575	26,201	0	26,775	1,701	650	24,425	86.4	—
1993	650	27,314	0	27,964	2,194	620	25,150	88.0	—
1994 F	620	28,649	0	29,269	2,260	648	28,361	91.2	—
Red meat & poultry									
1991	1,264	64,286	3,223	68,772	2,873	1,395	64,504	202.9	—
1992	1,395	67,179	3,135	71,708	3,440	1,408	66,861	208.3	—
1993	1,408	68,068	3,186	72,659	3,890	1,527	67,243	207.6	—
1994 F	1,527	69,814	3,162	74,503	4,078	1,412	69,013	211.1	—

1/ Total including farm production for red meats & federally inspected plus nonfederally inspected for poultry. 2/ Retail weight basis. (The beef carcass-to-retail conversion factor was 70.5). 3/ Dollars per cwt for red meat; cents per pound for poultry. Beef, Medium # 1, Nebraska Direct 1,100-1,300 lb.; pork: barrows & gilts, Iowa, Southern Minnesota; veal: farm price of calves; lamb & mutton; Choice slaughter lambs, San Angelo; broilers: wholesale 12-city average; turkeys: wholesale NY 8-16 lb. young hens. 4/ Carcass weight for red meats & certified ready-to-cook for poultry. 5/ Beginning 1989 veal trade no longer reported separately. F = forecast. — = not available.

Information contacts: Polly Cochran or Maxine Davis (202) 219-0767.

Table 11.—U.S. Egg Supply & Use

	Beg. stocks	Pro- duc- tion	im- ports	Total supply	Ex- ports	Hatch- ing use	Ending stocks	Consumption		Wholesale price*
								Total	Per capita	
								Million dozen		
1987	10.4	5,868.2	5.8	5,884.2	111.2	599.1	14.4	5,159.5	254.9	61.6
1988	14.4	5,784.2	5.3	5,803.9	141.8	605.9	15.2	5,041.0	246.9	62.1
1989	15.2	5,598.2	25.2	5,638.5	91.6	643.9	10.7	4,892.4	237.3	81.9
1990	10.7	5,665.8	9.1	5,685.3	100.5	678.5	11.8	4,894.7	235.0	82.2
1991	11.8	5,779.3	2.3	5,793.3	154.3	708.1	13.0	4,917.9	233.5	77.5
1992	13.0	5,884.8	4.3	5,902.1	157.0	728.4	13.5	5,003.1	235.0	65.4
1993 P	13.5	5,960.7	5.0	5,979.2	158.8	766.0	10.2	5,044.4	234.4	72.5
1994 F	10.2	6,020.0	4.5	6,036.5	160.0	780.0	12.0	5,082.7	233.9	66-72

* Cartoned grade A large eggs, New York. F = forecast. P = preliminary.

Information contact: Maxine Davis (202) 219-0767.

Table 12.—U.S. Milk Supply & Use^{1/}

Production	Farm use	Commercial		Total commercial supply	CCC net removals	Commercial		All milk price 1/	CCC net removals			
		Farm market-ings	Beg. stock			Imports	Ending stocks		Disappearance	Skim solids basis	Total solids basis 2/	
		Billion pounds (milkfat basis)							\$/cwt	Billion pounds		
1986	143.1	2.4	140.7	4.5	2.7	147.9	10.8	4.1	133.0	12.51	14.3	12.9
1987	142.7	2.3	140.5	4.1	2.5	147.1	6.8	4.6	135.7	12.54	9.3	8.3
1988	145.2	2.2	142.9	4.6	2.4	149.9	9.1	4.3	138.5	12.26	6.5	6.9
1989	144.2	2.1	142.2	4.3	2.5	149.0	9.4	4.1	135.4	13.56	0.4	4.0
1990	146.3	2.0	146.3	4.1	2.7	153.1	9.0	5.1	138.9	13.68	1.6	4.6
1991	146.5	2.0	146.5	5.1	2.8	154.3	10.4	4.5	139.4	12.24	3.9	6.5
1992	151.7	1.9	149.8	4.5	2.5	156.7	10.1	4.7	142.0	13.09	2.4	5.4
1993 F	151.5	1.9	149.6	4.7	2.7	157.0	6.7	4.8	145.7	12.83	4.2	5.2
1994 F	152.7	1.9	150.8	4.6	2.6	156.0	5.1	4.6	148.3	12.45	5.0	5.0

1/ Delivered to plants & dealers; does not reflect deductions. 2/ Arbitrarily weighted average of milkfat basis (40 percent) & skim solids basis (60 percent). F = forecast.

Information contact: Jim Miller (202) 219-0770.

Table 13.—Poultry & Eggs

	Annual			1992	1993					
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec
Broilers										
Federally inspected slaughter, certified (mil. lb.)	19,727.7	21,052.4	22,185.5	1,817.8	1,801.8	1,905.5	1,913.3	1,871.4	1,810.2	1,870.3
Wholesale price, 12-city (cts./lb.)	62.0	52.8	55.2	53.3	55.4	57.8	57.6	55.7	55.9	53.3
Price of grower feed (\$/ton)	208	208	209	202	208	202	203	219	217	217
Broiler-feed price ratio 1/	3.0	3.1	3.0	3.1	3.4	3.0	3.0	3.2	3.2	3.1
Stocks beginning of period (mil. lb.)	26.1	36.1	33.8	29.0	40.7	37.1	33.3	36.2	32.7	28.8
Broiler-type chicks hatched (mil.) 2/	6,616.5	6,830.9	7,130.1	588.3	614.3	607.9	578.6	580.0	588.6	619.0
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	4,651.9	4,828.9	4,847.8	393.1	419.3	426.9	436.0	451.4	461.8	375.4
Wholesale price, Eastern U.S., 8-16 lb. young hens (cts./lb.)	61.3	60.2	62.8	65.1	59.8	63.4	66.7	71.3	71.8	68.2
Price of turkey grower feed (\$/ton)	230	242	247	248	251	247	245	254	252	248
Turkey-feed price ratio 1/	3.3	3.1	3.2	3.2	3.1	3.2	3.3	3.4	3.4	3.3
Stocks beginning of period (mil. lb.)	306.4	264.1	271.7	320.5	558.1	625.3	678.6	713.8	683.6	290.6
Poulters placed in U.S. (mil.)	308.1	307.8	308.6	24.0	28.6	26.2	21.3	21.0	23.8	25.3
Eggs										
Farm production (mil.)	69,352	70,618	71,528	6,112	5,992	6,015	5,876	6,144	6,037	5,249
Average number of layers (mil.)	275	278	283	282	281	282	283	285	287	289
Rate of lay (eggs per layer on farms)	252.4	253.9	252.6	21.7	21.3	21.3	20.7	21.6	21.1	21.7
Cartoned price, New York, grade A large (cts./doz.) 3/	77.5	65.4	72.5	73.6	68.9	72.8	67.2	70.9	71.5	72.2
Price of laying feed (\$/ton)	192	199	202	195	202	201	200	207	209	207
Egg-feed price ratio 1/	6.8	5.7	6.2	6.6	5.7	6.1	5.8	5.8	6.0	6.1
Stocks, first of month										
Shell (mil. doz.)	0.45	0.63	0.45	0.45	0.21	0.18	0.18	0.45	0.39	0.18
Frozen (mil. doz.)	11.2	12.3	13.0	14.2	11.5	13.4	13.8	10.9	10.7	10.4
Replacement chicks hatched (mil.)	420	386	407	29.5	34.2	32.9	31.9	32.2	30.8	31.6

1/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. 2/ Placement of broiler chicks is currently reported for 15 States only; henceforth, hatch of broiler-type chicks will be used as a substitute. 3/ Price of cartoned eggs to volume buyers for delivery to retailers.

Information contact: Maxine Davis (202) 219-0767.

Table 14.—Dairy

	Annual			1992		1993				
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec
Milk prices, Minnesota-Wisconsin, 3.5% fat (\$/cwt) 1/	11.05	11.88	11.80	11.34	11.42	11.17	11.90	12.46	12.75	12.51
Wholesale prices										
Butter, grade A Chl. (cts./lb.)	99.3	82.5	74.4	78.6	73.5	74.6	74.3	74.2	73.6	69.7
Am. cheese, Wis. assembly pt. (cts./lb.)	124.4	131.9	131.5	123.2	126.3	124.8	137.4	138.9	138.7	133.7
Nonfat dry milk (cts./lb.) 2/	94.0	107.1	112.0	109.2	109.6	109.3	109.2	110.8	112.6	112.7
USDA net removals 3/										
Total milk equiv. (mil. lb.) 4/	10,425.0	9,952.8	8,738.5	569.4	271.1	-91.1	-490.8	-17.2	-176.6	374.1
Butter (mil. lb.)	442.9	439.5	291.4	24.6	10.9	-5.2	-23.5	-1.8	-9.3	16.3
Am. cheese (mil. lb.)	78.9	168.1	8.8	0.6	0.4	0.4	0.4	0.2	0.2	0.2
Nonfat dry milk (mil. lb.)	269.6	136.7	327.0	32.1	25.8	24.6	26.9	40.6	17.5	17.5
Milk										
Milk prod. 21 States (mil. lb.)	125,671	126,300	127,678	10,659	10,948	10,572	10,160	10,358	9,997	10,408
Milk per cow (lb.)	14,977	15,546	15,694	1,292	1,346	1,302	1,253	1,280	1,237	1,292
Number of milk cows (1,000)	8,391	8,253	8,136	8,247	8,134	8,120	8,110	8,093	8,079	8,057
U.S. milk production (mil. lb.)	148,477	151,747	151,458	7/ 12,626	7/ 12,848	7/ 12,504	7/ 12,016	7/ 12,328	7/ 11,898	7/ 12,387
Stock, beginning										
Total (mil. lb.)	13,359	15,641	14,215	14,828	19,107	17,636	15,649	13,840	12,406	10,597
Commercial (mil. lb.)	5,146	4,481	4,688	4,603	5,346	5,375	5,275	4,982	5,005	4,565
Government (mil. lb.)	8,213	11,379	9,526	10,223	13,761	12,261	10,374	8,858	7,401	6,033
Imports, total (mil. lb.)	2,625	2,524	—	323	235	190	224	283	300	—
Commercial disappearance (mil. lb.)	139,343	142,170	—	12,132	12,720	12,722	12,867	12,452	12,658	—
Butter										
Production (mil. lb.)	1,335.8	1,365.2	1,318.6	119.8	87.2	79.3	80.4	92.1	85.7	118.2
Stocks, beginning (mil. lb.)	416.1	539.4	447.7	487.6	589.3	534.0	454.8	388.8	351.4	283.6
Commercial disappearance (mil. lb.)	903.5	844.2	—	97.2	72.9	83.8	108.9	91.0	108.2	—
American cheese										
Production (mil. lb.)	2,768.9	2,936.6	2,924.8	259.6	259.5	237.8	213.5	239.0	223.7	246.1
Stocks, beginning (mil. lb.)	347.4	318.7	346.7	324.8	413.8	406.8	396.7	4	395.3	362.5
Commercial disappearance (mil. lb.)	2,756.7	2,900.8	—	239.5	262.4	250.0	219.7	234.3	258.7	—
Other cheese										
Production (mil. lb.)	3,250.0	3,551.7	3,540.1	312.0	281.2	292.2	303.0	317.1	315.6	315.3
Stocks, beginning (mil. lb.)	110.8	97.5	120.9	121.9	131.4	128.0	122.3	111.3	104.0	100.5
Commercial disappearance (mil. lb.)	3,539.2	3,795.4	—	349.8	312.0	315.8	339.2	355.9	351.5	—
Nonfat dry milk										
Production (mil. lb.)	877.5	872.1	928.5	79.2	88.4	84.9	51.1	56.3	58.0	91.2
Stocks, beginning (mil. lb.)	161.9	214.8	81.2	87.6	143.6	130.4	133.8	100.0	75.8	66.4
Commercial disappearance (mil. lb.)	662.7	720.6	—	50.2	75.7	37.7	50.2	44.1	49.9	—
Frozen dessert										
Production (mil. gal.) 5/	1,203.1	1,196.8	1,177.6	77.9	124.8	117.6	100.0	85.0	75.8	77.6
	Annual			1992		1993				
	1991	1992	1993	II	III	IV	I P	II P	III P	IV P
Milk production (mil. lb.)	148,477	151,747	151,458	39,077	37,515	37,166	37,763	39,614	37,468	36,813
Milk per cow (lb.)	14,860	15,423	15,580	3,871	3,818	3,782	3,862	4,068	3,861	3,789
No. of milk cows (1,000)	9,992	9,839	9,721	9,841	9,826	9,827	9,777	9,739	9,710	9,662
Milk-feed price ratio 6/	1.58	1.69	1.85	1.85	1.75	1.89	1.61	1.68	1.82	1.66
Returns over concentrate costs (\$/cwt milk) 6/	8.95	9.95	9.64	9.50	10.10	9.75	9.09	9.65	9.35	10.02

1/ Manufacturing grade milk. 2/ Prices paid f.o.b. Central States production area. 3/ Includes products exported through the Dairy Export Incentive Program (DEIP). 4/ Milk equivalent, fat basis. 5/ Hard ice cream, ice milk, & hard sherbet. 6/ Based on average milk price after adjustment for price support deductions. 7/ Estimated. — = not available. P = preliminary.

Information contact: LaVerne T. Williams (202) 219-0770.

Table 15.—Wool

	Annual			1992		1993			
	1991	1992	1993	III	IV	I	II	III	IV
U.S. wool price, (cts./lb.) 1/	199	204	137	210	176	148	134	136	132
Imported wool price, (cts./lb.) 2/	187	210	142	203	189	150	137	128	150
U.S. mill consumption, scoured									
Apparel wool (1,000 lb.)	137,187	136,143	139,941	33,581	31,066	35,503	35,462	35,021	33,955
Carpet wool (1,000 lb.)	14,352	14,695	15,665	3,145	3,378	4,511	4,341	2,648	4,165

1/ Wool price delivered at U.S. mills, clean basis. Graded Territory 64's (20.60-22.04 microns) staple 2-3/4" & up. 2/ Wool price, Charleston, SC warehouse, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents. — = not available. P = preliminary.

Information contact: John Lawler (202) 219-0840.

Table 16.—Meat Animals

	Annual			1992	1993					
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec
Cattle on feed (7 States)										
Number on feed (1,000 head) 1/	8,992	8,397	9,073	8,894	7,903	7,633	7,734	8,184	9,016	9,307
Placed on feed (1,000 head)	19,704	20,498	20,393	1,694	1,503	1,865	2,158	2,474	1,858	1,499
Marketings (1,000 head)	19,066	18,623	18,988	1,414	1,692	1,687	1,642	1,566	1,459	1,451
Other disappearance (1,000 head)	1,233	1,199	1,202	101	81	77	66	76	108	76
Beef steer—corn price ratio.										
Omaha 2/	31.6	33.3	34.0	38.8	31.4	32.8	32.0	29.6	26.4	25.0
Hog—corn price ratio, Omaha 2/	21.1	19.0	20.4	21.2	20.1	21.7	21.5	20.1	16.3	14.3
Market prices (\$/cwt)										
Slaughter cattle										
Choice steers, Omaha 1,000–1,100 lb.	73.83	74.65	75.60	76.58	72.22	73.28	71.46	69.78	69.93	68.98
Choice steers, Neb. Direct, 1,100–1,300 lb.	74.28	75.38	76.38	77.34	73.60	74.59	73.11	71.14	71.54	71.00
Boning utility cows, Sioux Falls	50.31	44.84	47.51	42.08	50.28	49.61	47.97	46.00	43.12	42.38
Feeder cattle										
Medium no. 1, Oklahoma City 600–700 lb.	92.74	85.57	90.96	86.67	92.96	92.58	91.23	88.11	86.70	87.53
Slaughter hogs										
Barrows & gilts, Iowa, S. Minn.	49.69	43.03	46.12	42.73	46.71	46.63	46.80	47.54	43.37	40.88
Feeder pigs										
S. Mo. 40–50 lb. (per head)	39.84	31.71	40.88	29.78	38.69	36.13	39.78	42.22	34.38	32.80
Slaughter sheep & lambs										
Lambs, Choice, San Angelo	53.21	61.00	65.85	67.25	57.00	58.97	66.08	63.75	65.69	68.44
Ewes, Good, San Angelo	31.98	35.38	37.46	40.75	38.17	35.39	34.94	30.82	34.69	39.60
Feeder lambs										
Choice, San Angelo	53.54	62.09	69.32	71.13	58.58	63.17	68.75	69.96	71.81	72.00
Wholesale meat prices, Midwest										
Boxed beef cut-out value	118.31	116.73	118.75	119.95	114.48	116.73	114.85	111.52	113.26	110.83
Canner & cutter, cow beef	99.42	93.85	95.39	95.31	101.69	98.50	94.72	90.02	90.22	89.50
Pork loins, 14–18 lb. 3/	108.39	101.41	107.47	98.22	113.40	116.73	116.74	111.85	98.68	92.33
Pork bellies, 12–14 lb.	47.79	30.39	41.82	28.80	44.51	46.68	43.82	47.25	47.21	46.21
Hams, skinned, 17–20 lb.	75.68	67.42	67.85	72.67	64.94	66.96	75.08	76.34	73.82	61.94
All fresh beef retail price 4/	271.05	268.79	273.43	268.29	275.93	273.89	271.74	273.50	273.58	273.55
Commercial slaughter (1,000 head) 5/										
Cattle	32,690	32,873	33,322	2,703	2,864	2,941	2,870	2,797	2,697	2,775
Steers	16,728	17,135	17,220	1,383	1,494	1,564	1,477	1,402	1,318	1,411
Heifers	9,725	9,238	9,357	710	844	820	816	805	759	768
Cows	5,823	5,846	6,087	561	468	495	517	531	566	545
Bulls & stags	614	653	659	50	58	62	60	59	56	51
Calves	1,436	1,371	1,195	124	93	98	97	97	105	106
Sheep & lambs	5,722	5,496	5,181	478	409	432	426	408	418	443
Hogs	88,169	94,888	93,067	8,360	7,177	7,637	7,946	8,039	8,138	8,384
Commercial production (mil. lb.)										
Beef	22,800	22,968	22,940	1,855	1,983	2,065	2,027	1,980	1,890	1,947
Veal	296	299	269	26	22	23	22	22	23	24
Lamb & mutton	358	343	329	29	26	27	27	25	26	28
Pork	15,948	17,185	17,031	1,524	1,311	1,389	1,438	1,473	1,508	1,553

	Annual			1992			1993			
	1991	1992	1993	I	II	IV	I	II	III	IV
Cattle on feed (13 States)										
Number on feed (1,000 head) 1/	10,827	10,135	10,854	9,693	8,947	8,920	10,884	10,452	9,493	9,651
Placed on feed (1,000 head)	23,208	24,241	24,011	5,273	5,107	7,458	5,321	5,314	6,341	7,035
Marketings (1,000 head)	22,383	22,056	22,316	5,675	5,786	5,174	5,314	5,833	5,893	5,276
Other disappearance (1,000 head)	1,517	1,436	1,484	444	268	320	439	490	270	315
Hogs & pigs (10 States) 6/										
Inventory (1,000 head) 1/	42,900	45,735	46,240	44,800	47,145	48,270	46,240	45,080	46,420	48,920
Breeding (1,000 head) 1/	5,257	5,810	5,515	5,555	5,735	5,735	5,515	5,470	5,630	5,560
Market (1,000 head) 1/	37,643	40,125	40,725	39,245	41,410	42,535	40,725	39,610	40,790	41,360
Farrowings (1,000 head)	9,516	9,695	9,292	2,663	2,363	2,373	2,210	2,521	2,332	2,229
Pig crop (1,000 head)	75,330	78,520	75,355	21,570	19,287	19,151	18,093	20,465	18,849	17,948

1/ Beginning of period. 2/ Bushels of corn equal in value to 100 pounds (live weight). 3/ Prior to 1984, 8–14 lb.; 1984 & 1985, 14–17 lb.; beginning 1986, 14–18 lb. 4/ New series estimating the composite price of all beef grades & ground beef sold by retail stores. This new series is in addition to, but does not replace, the series for the retail price of Choice beef that appears in table 8. 5/ Classes estimated. 6/ Quarters are Dec. of preceding year–Feb. (I), Mar.–May (II), June–Aug. (III), & Sept.–Nov. (IV). May not add to NASS totals due to rounding. — = not available. * Intentions.

Information contact: Polly Cochran (202) 219-0767.

Crops & Products

Table 17.—Supply & Utilization^{1,2}

	Area				Production	Total supply ^{4/}	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price ^{5/}
	Set aside ^{3/}	Planted	Harvested	Yield								
	Mil. acres		Bu./acre					Mil. bu.				\$/bu.
Wheat												
1988/89	22.5	65.5	53.2	34.1	1,812	3,098	150	829	1,415	2,394	702	3.72
1989/90	9.6	76.8	62.2	32.7	2,037	2,782	144	849	1,232	2,226	536	3.72
1990/91	7.5	77.2	69.3	39.5	2,738	3,309	499	875	1,088	2,443	866	2.61
1991/92*	15.9	69.9	57.7	34.3	1,981	2,888	250	887	1,280	2,416	472	3.00
1992/93*	7.3	72.3	62.4	39.4	2,459	3,001	191	927	1,354	2,472	529	3.24
1993/94*	5.0	72.2	62.6	38.3	2,402	3,026	275	938	1,225	2,438	588	3.10-3.25
Rice												
	Mil. acres		Lb./acre					Mil. cwt (rough equiv.)				\$/cwt
1988/89	1.09	2.93	2.90	6,514	159.9	195.1	—	8/ 82.5	85.9	168.4	28.7	6.83
1989/90	1.18	2.73	2.89	5,749	154.6	185.8	—	8/ 82.1	77.2	169.3	26.4	7.35
1990/91	1.02	2.90	2.82	5,529	156.1	187.2	—	8/ 91.7	70.9	182.7	24.6	6.70
1991/92*	0.9	2.88	2.78	5,674	157.6	187.3	—	8/ 93.5	66.4	169.9	27.4	7.58
1992/93*	0.4	3.18	3.13	5,736	179.7	213.2	—	8/ 98.7	77.0	173.7	39.4	5.89
1993/94*	0.6	2.92	2.83	5,510	159.1	202.3	—	8/ 98.6	83.0	181.6	20.7	8.00-9.50
Corn												
	Mil. acres		Bu./acre					Mil. bu.				\$/bu.
1988/89	20.5	67.7	58.3	84.8	4,929	9,191	3,941	1,293	2,028	7,260	1,930	2.54
1989/90	10.8	72.2	64.7	116.3	7,525	9,458	4,389	1,358	2,368	8,113	1,344	2.36
1990/91	10.7	74.2	67.0	118.5	7,834	9,282	4,663	1,373	1,725	7,761	1,521	2.28
1991/92*	7.4	76.0	68.8	108.6	7,475	9,016	4,878	1,454	1,584	7,918	1,100	2.37
1992/93*	5.3	79.3	72.2	131.4	9,482	10,589	5,301	1,511	1,863	8,476	2,113	2.07
1993/94*	8.0	73.3	63.0	100.7	8,344	8,477	4,800	1,600	1,300	7,700	777	2.55-2.75
Sorghum												
	Mil. acres		Bu./acre					Mil. bu.				\$/bu.
1988/89	3.9	10.3	9.0	83.8	577	1,239	466	22	311	800	440	2.27
1989/90	3.3	12.6	11.1	55.4	615	1,055	517	15	303	835	220	2.10
1990/91	3.3	10.5	9.1	63.1	573	793	410	9	232	651	143	2.12
1991/92*	2.5	11.1	9.9	59.3	585	727	374	9	292	674	53	2.25
1992/93*	2.0	13.3	12.2	72.8	684	937	478	8	277	762	175	1.99
1993/94*	2.0	10.5	9.5	59.9	588	763	475	8	175	658	85	2.40-2.60
Barley												
	Mil. acres		Bu./acre					Mil. bu.				\$/bu.
1988/89	2.8	9.8	7.8	38.0	290	622	171	175	79	425	196	2.60
1989/90	2.3	9.1	8.3	48.6	404	614	193	175	64	453	161	2.42
1990/91	2.9	9.2	7.5	56.1	422	586	205	178	61	481	135	2.14
1991/92*	2.2	9.9	8.4	55.2	464	624	225	176	94	496	129	2.10
1992/93*	2.3	7.8	7.3	62.5	458	599	195	172	80	447	151	2.05
1993/94*	2.2	7.8	6.8	58.9	400	588	210	170	60	440	146	1.95-2.05
Oats												
	Mil. acres		Bu./acre					Mil. bu.				\$/bu.
1988/89	0.3	13.9	5.5	39.3	218	392	194	100	1	294	98	2.81
1989/90	0.4	12.1	6.9	54.3	374	538	266	115	1	381	157	1.49
1990/91	0.2	10.4	5.9	60.1	358	578	288	120	1	407	171	1.14
1991/92*	0.6	8.7	4.8	50.7	243	489	235	125	2	362	128	1.21
1992/93*	0.7	8.0	4.5	65.0	295	477	233	125	6	364	113	1.32
1993/94*	0.8	7.9	3.8	54.4	206	414	180	125	5	310	104	1.35-1.45
Soybeans												
	Mil. acres		Bu./acre					Mil. bu.				\$/bu.
1988/89	0	58.8	57.4	27.0	1,549	1,855	7/ 88	1,058	527	1,673	182	7.42
1989/90	0	60.8	59.5	32.3	1,924	2,109	7/ 101	1,148	623	1,870	239	5.89
1990/91	0	57.9	56.5	34.1	1,926	2,168	7/ 95	1,187	557	1,839	329	5.74
1991/92*	0	59.2	58.0	34.2	1,987	2,319	7/ 103	1,254	684	2,041	278	5.58
1992/93*	0	59.1	59.2	37.6	2,188	2,468	7/ 127	1,279	770	2,176	292	5.66
1993/94*	0	59.4	56.4	32.0	1,809	2,108	7/ 106	1,240	605	1,951	155	6.25-6.75
Soybean oil												
								Mil. lbs.				\$/ Cts./lb.
1988/89	—	—	—	—	11,737	13,967	—	10,591	1,061	12,252	1,716	21.10
1989/90	—	—	—	—	13,004	14,741	—	12,083	1,353	13,436	1,305	22.30
1990/91	—	—	—	—	13,408	14,730	—	12,164	780	12,944	1,788	21.00
1991/92*	—	—	—	—	14,345	16,132	—	12,245	1,948	13,893	2,239	19.10
1992/93*	—	—	—	—	13,778	16,027	—	13,053	1,419	14,472	1,556	21.40
1993/94*	—	—	—	—	13,635	15,125	—	13,000	1,250	14,250	876	27.0-29.0
Soybean meal												
								1,000 tons				\$/ \$/ton
1988/89	—	—	—	—	24,943	25,100	—	19,657	6,270	24,927	173	252.40
1989/90	—	—	—	—	27,719	27,900	—	22,283	5,319	27,582	318	188.48
1990/91	—	—	—	—	28,325	28,688	—	22,934	5,459	28,403	285	181.40
1991/92*	—	—	—	—	29,831	30,183	—	23,008	6,945	29,953	230	189.20
1992/93*	—	—	—	—	30,384	30,687	—	24,251	6,232	30,483	204	193.75
1993/94*	—	—	—	—	29,498	29,800	—	24,600	4,600	29,500	300	185-205

See footnotes at end of table.

Table 17.—Supply & Utilization, continued

	Area		Harvested	Yield	Production	Total supply 4/	Feed and residual	Other domestic use	Exports	Total use	Ending Stocks	Farm price 5/
	Set Aside 3/	Planted										
	Mil. acres		Lb./acre				Mil. bales				Cts./lb.	
Cotton 10/												
1988/89	2.2	12.5	11.9	819	15.4	21.2	—	7.8	6.1	13.9	7.1	56.60
1989/90	3.5	10.6	9.5	814	12.2	19.3	—	8.8	7.7	16.5	3.0	69.20
1990/91	2.0	12.3	11.7	834	15.5	18.5	—	8.7	7.8	16.5	2.3	67.10
1991/92*	1.4	14.1	13.0	852	17.8	20.0	—	9.6	6.8	16.3	3.7	58.10
1992/93*	1.7	13.2	11.1	899	18.2	19.9	—	10.3	5.2	15.5	4.7	54.90
1993/94*	1.4	13.4	12.8	807	16.2	20.8	—	10.2	6.5	16.7	4.2	11/ 54.30

* February 10, 1994 Supply & Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, & oats; August 1 for cotton & rice; September 1 for soybeans, corn, & sorghum; October 1 for soybean meal & soybean oil. 2/ Conversion factors: Hectare (ha.) = 2.471 acres; 1 metric ton = 2,204.622 pounds; 36.7437 bushels of wheat or soybeans, 59.3679 bushels of corn or sorghum, 45.9298 bushels of barley, 88.8944 bushels of oats, 22.046 cwt of rice, & 4.59 480-pound bales of cotton. 3/ Includes diversion, acreage reduction, 50-92, & 0-92 programs. 0/92 & 50/92 set-aside includes idled acreage & acreage planted to minor oilseeds, sesame, and crabs. 4/ Includes imports. 5/ Marketing-year weighted average price received by farmers. Does not include an allowance for loans outstanding & Government purchases. 6/ Residual included in domestic use. 7/ Includes seed. 8/ Simple average of crude soybean oil, Decatur. 9/ Simple average of 48 percent, Decatur. 10/ Upland & extra long staple. Stocks estimates based on Census Bureau data, resulting in an unaccounted difference between supply & use estimates & changes in ending stocks. 11/ Weighted average for August 1-December 1; not a projection for the marketing year. — = not available or not applicable.

Note: Set-aside data for 1993 are from June 15 sign-up report.

Information contact: Commodity Economics Division, Crops Branch (202) 219-0840.

Table 18.—Cash Prices, Selected U.S. Commodities

	Marketing year 1/				1992		1993			
	1989/90	1990/91	1991/92	1992/93	Dec	Aug	Sept	Oct	Nov	Dec
Wheat, No. 1 HRW, Kansas City (\$/bu.) 2/	4.22	2.94	3.77	3.87	3.81	3.34	3.37	3.52	3.39	4.15
Wheat, DNS, Minneapolis (\$/bu.) 3/	4.18	3.08	3.82	3.91	3.88	4.88	4.80	5.17	5.50	5.45
Rice, S.W. La. (\$/cwt) 4/	15.55	15.25	16.48	13.36	15.51	12.38	12.75	15.20	23.75	26.25
Corn, no. 2 yellow, 30 day, Chicago (\$/bu.)	2.54	2.41	2.52	2.22	2.17	2.37	2.34	2.43	2.77	2.96
Sorghum, no. 2 yellow, Kansas City (\$/cwt)	4.21	4.08	4.36	3.74	3.70	4.01	3.89	4.03	4.60	4.91
Barley, feed, Duluth (\$/bu.) 5/	2.20	2.13	2.17	2.11	2.06	1.89	1.89	2.01	2.16	2.14
Barley, malting, Minneapolis (\$/bu.)	3.28	2.42	2.38	2.37	2.38	2.27	2.18	2.26	2.48	2.57
U.S. price, SLM, 1-1/16 in. (cts./lb.) 6/	69.8	74.8	56.7	54.1	51.9	53.0	54.0	54.6	55.6	60.3
Northern Europe prices index (cts./lb.) 7/	82.3	82.9	82.9	80.9	54.3	55.6	55.1	54.7	55.1	59.8
U.S. M 1-3/32 in. (cts./lb.) 8/	83.6	88.2	66.3	82.5	61.9	57.3	57.0	56.9	58.6	64.6
Soybeans, no. 1 yellow, 30 day, Chicago (\$/bu.)	5.86	5.76	5.75	5.96	5.68	6.66	6.32	6.06	6.55	6.84
Soybean oil, crude, Decatur (cts./lb.)	22.30	21.00	19.10	21.40	20.52	23.46	23.91	22.98	24.22	26.75
Soybean meal, 48% protein, Decatur (\$/ton) 9/	186.50	181.40	189.20	193.75	187.60	219.10	199.90	194.50	209.40	206.00

1/ Beginning June 1 for wheat & barley; Aug. 1 for rice & cotton; Sept. 1 for corn, sorghum & soybeans; Oct. 1 for soybean meal & oil. 2/ Ordinary protein. 3/ 14% protein. 4/ Long grain, milled basis. 5/ Beginning Mar. 1987 reporting point changed from Minneapolis to Duluth. 6/ Average spot market. 7/ Liverpool Cotton "A" Index; average of five lowest prices of 13 selected growths. 8/ Memphis territory growths. 9/ Note change to 48% protein.

Information contacts: Wheat, rice, & feed grains, Jenny Gonzales (202) 219-0840; Cotton, Lee Meyer (202) 219-0840; Soybeans, Mark Ash (202) 219-0840.

Table 19.—Farm Programs, Price Supports, Participation & Payment Rates

	Target price	Basic loan rate	Findley or announced loan rate 1/	Payment rates			Effective base acres 2/	Program 3/	Participation rate 4/
				Paid land diversion					
				Total deficiency	Mandatory	Optional			
				\$/bu.			Mil. acres	Percent of base	Percent of base
Wheat									
1988/89	4.23	2.76	2.21	0.69	---	---	84.8	27.5/0/0	86
1989/90	4.10	2.58	2.06	0.32	---	---	82.3	10/0/0	78
1990/91 5/	4.00	2.44	1.95	1.28	---	---	80.5	5/0/0	83
1991/92	4.00	2.52	2.04	*1.35	---	---	79.2	15/0/0	85
1992/93	4.00	2.58	2.21	0.81	---	---	78.9	5/0/0	83
1993/94	4.00	2.88	2.45	**1.03	---	---	78.5	0/0/0	87
1994/95	4.00	2.72	2.58	***0.85	---	---	---	0/0/0	---
Rice									
1988/89	11.15	6.63	7/ 6.50	4.31	---	---	4.2	25/0/0	94
1989/90	10.80	6.50	7/ 6.00	3.56	---	---	4.2	25/0/0	94
1990/91 5/	10.71	6.50	7/ 5.40	4.16	---	---	4.2	20/0/0	95
1991/92	10.71	6.50	7/ 5.85	3.07	---	---	4.2	5/0/0	85
1992/93	10.71	6.50	---	4.21	---	---	4.1	0/0/0	86
1993/94	10.71	6.50	---	**3.98	---	---	4.1	5/0/0	96
1994/95	10.71	6.50	---	***0.64	---	---	---	0/0/0	---
Corn									
1988/89	2.93	2.21	1.77	0.38	---	1.75	82.9	20/0/10	87
1989/90	2.84	2.06	1.65	0.58	---	---	82.7	10/0/0	79
1990/91 5/	2.75	1.96	1.57	0.51	---	---	82.6	10/0/0	78
1991/92	2.75	1.89	1.62	0.41	---	---	82.7	7.5/0/0	77
1992/93	2.75	2.01	1.72	0.73	---	---	82.1	5/0/0	76
1993/94	2.75	1.98	1.72	**0.72	---	---	81.9	10/0/0	81
1994/95	2.75	1.99	1.89	***0.40	---	---	---	0/0/0	---
Sorghum									
1988/89	2.78	2.10	1.68	0.48	---	1.65	18.8	20/0/10	82
1989/90	2.70	1.86	1.57	0.66	---	---	18.2	10/0/0	71
1990/91 5/	2.61	1.88	1.49	0.56	---	---	15.4	10/0/0	70
1991/92	2.61	1.80	1.54	0.37	---	---	13.5	7.5/0/0	77
1992/93	2.61	1.91	1.63	0.70	---	---	13.6	5/0/0	79
1993/94	2.61	1.89	1.63	**0.70	---	---	13.5	5/0/0	81
1994/95	2.61	1.89	1.80	***0.48	---	---	---	0/0/0	---
Barley									
1988/89	2.51	1.80	1.44	0.00	---	1.40	12.5	20/0/10	79
1989/90	2.44	1.68	1.34	0.00	---	---	12.3	10/0/0	67
1990/91 5/	2.36	1.60	1.28	0.20	---	---	11.9	10/0/0	68
1991/92	2.36	1.54	1.32	0.62	---	---	11.5	7.5/0/0	76
1992/93	2.36	1.64	1.40	0.56	---	---	11.1	5/0/0	75
1993/94	2.36	1.62	1.40	**0.67	---	---	10.8	0/0/0	82
1994/95	2.36	1.62	1.54	***0.52	---	---	---	0/0/0	---
Oats									
1988/89	1.55	1.14	0.91	0.00	---	---	7.9	5/0/0	30
1989/90	1.50	1.06	0.85	0.00	---	---	7.8	5/0/0	18
1990/91 5/	1.45	1.01	0.81	0.32	---	---	7.5	5/0/0	09
1991/92	1.45	0.97	0.83	0.35	---	---	7.3	0/0/0	38
1992/93	1.45	1.03	0.88	0.17	---	---	7.2	0/0/0	40
1993/94	1.45	1.02	0.88	**0.11	---	---	7.1	0/0/0	46
1994/95	1.45	1.02	0.97	***0.00	---	---	---	0/0/0	---
Soybeans 9/									
1988/89	---	---	4.77	---	---	---	---	---	---
1989/90	---	---	4.53	---	---	---	---	---	---
1990/91 5/	---	---	4.50	---	---	---	---	---	---
1991/92	---	---	5.02	---	---	---	---	---	---
1992/93	---	---	5.02	---	---	---	---	---	---
1993/94	---	---	5.02	---	---	---	---	---	---
1994/95	---	---	4.92	---	---	---	---	---	---
Upland cotton									
1988/89	75.9	51.80	11/ 51.80	19.4	---	---	14.5	12.5/0/0	89
1989/90	73.4	50.00	11/ 50.00	13.1	---	---	14.6	25/0/0	89
1990/91 5/	72.9	50.27	11/ 50.27	7.3	---	---	14.4	12.5/0/0	88
1991/92 12/	72.9	50.77	11/ 47.23	10.1	---	---	14.6	5/0/0	84
1992/93	72.9	52.35	11/ ---	20.3	---	---	14.9	10/0/0	89
1993/94	72.9	52.35	11/ ---	**18.6	---	---	15.1	7.5/0/0	91
1994/95	72.9	50.00	11/ ---	***12.9	---	---	---	11/0/0	---

1/ There are no Findley loan rates for rice or cotton. See footnotes 7/ & 11/. 2/ National effective crop acreage base as determined by ASCS. Net of CRP.

3/ Program requirements for participating producers (mandatory acreage reduction program/mandatory paid land diversion/optional paid land diversion). Acres idled must be devoted to a conserving use to receive program benefits. 4/ Percentage of effective base acres enrolled in acreage reduction programs. 5/ Payments & loans were reduced by 1.4 percent in 1990/91 due to Gramm-Rudman-Hollings. Budget Reconciliation Act reductions to deficiency payments rates were also in effect in that year. Data do not include these reductions. 6/ Under 1990 modified contracts, participating producers plant up to 105 percent of their wheat base acres. For every acre planted above 95 percent of base, the acreage used to compute deficiency payments was cut by 1 acre. 7/ A marketing loan has been in effect for rice since 1985/86. Loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly). However, loans cannot be repaid at less than a specified fraction of the loan rate. Data refer to market-year average loan repayment rates. 8/ The sorghum, oats, & barley programs are the same as for corn except as indicated. 9/ There are no target prices, base acres, acreage reduction programs, or deficiency payment rates for soybeans. 10/ Nominal percentage of program crop base acres permitted to shift into soybeans without loss of base. 11/ A marketing loan has been in effect for cotton since 1986/87. In 1987/88 & after, loans may be repaid at the lower of: a) the loan rate or b) the adjusted world market price (announced weekly; Plan B). Starting in 1991/92, loans cannot be repaid at less than 70 percent of the loan rate. Data refer to annual average loan repayment rates. 12/ A marketing certificate program was implemented on Aug. 1, 1991. — = not available.

* For wheat, the 1991/92 rate is the total deficiency payment rate for the "regular" program. For the winter wheat option, the rate is \$1.25.

** For wheat, barley, and oats, regular deficiency payment rate based on the 5-month price. For rice and upland cotton, total deficiency payment rate. For corn and sorghum, rate was projected at sign-up. 5-month regular deficiency payment rate for corn and sorghum is due to be released in March 1994.

*** Estimated total deficiency payment rates. Minimum guaranteed payment rate for 0/85 (wheat & feed grains) & 50/85 (rice and upland cotton) programs. Sign-up for 1994 programs was March 1-April 29, 1994.

Note: 1993 effective base acres and participation rates are from June 15 sign-up report.

Information contact: Agricultural Stabilization and Conservation Service (202) 690-0445.

Table 20.—Fruit

	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Citrus 1/ Production (1,000 ton)	10,525	11,058	11,993	12,761	13,186	10,860	11,285	12,452	15,346
Per capita consumpt. (lbs.) 2/	21.5	24.2	23.9	25.4	23.5	21.4	19.1	24.3	—
Noncitrus 3/ Production (1,000 tons)	14,191	13,874	16,011	15,893	16,365	15,657	15,748	17,116	15,936
Per capita consumpt. (lbs.) 2/	65.1	68.7	73.4	71.7	73.0	70.8	70.8	74.4	—
1993									
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
F.o.b. shipping point prices									
Apples (\$/carton) 4/	11.33	11.50	11.50	11.50	12.78	13.34	12.33	12.00	12.00
Pears (\$/box) 5/	16.08	16.28	18.28	—	—	—	12.07	11.04	10.05
Grower prices									
Oranges (\$/box) 6/	3.31	3.59	3.83	4.87	7.27	10.52	11.87	5.25	3.95
Grapefruit (\$/box) 6/	1.94	1.44	1.45	3.53	2.44	3.51	8.13	4.19	4.38
Stocks, ending									
Fresh apples (mil. lbs.)	1,341.5	895.1	488.9	201.2	28.4	3,256.8	5,423.4	5,179.4	4,445.3
Fresh pears (mil. lbs.)	50.8	23.3	1.6	7.1	146.5	556.8	552.1	41.8	358.5
Frozen fruits (mil. lbs.)	690.3	661.6	710.3	831.3	939.8	997.9	1,179.0	1,110.8	1,007.6
Frozen orange juice (mil. lbs.)	1,440.9	1,462.3	1,351.8	1,147.0	1,029.6	875.7	817.2	890.9	930.3

1/ 1992 indicated 1991/92 season. 2/ Fresh per capita consumption. 3/ Calendar year. 4/ Red delicious, Washington, extra fancy, carton tray pack, 125's. 5/ D'Anjou, Washington, standard box wrapped, U.S. no. 1, 135's. 6/ U.S. equivalent on-tree returns. P = preliminary. — = not available.

Information contact: Wynne Napper (202) 219-0884.

Table 21.—Vegetables

	Calendar year									
	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
Production										
Total vegetables (1,000 cwt)	458,334	453,030	448,829	478,381	468,779	542,437	561,704	564,581	538,637	532,109
Fresh (1,000 cwt) 1/ 3/	201,617	203,549	203,165	220,539	228,397	239,281	239,104	229,505	245,752	237,027
Processed (ton) 2/ 3/	12,725,880	12,474,040	12,273,200	12,692,100	12,019,110	15,157,790	18,130,020	18,753,820	14,644,260	14,754,080
Mushrooms (1,000 lbs.) 4/	695,681	587,958	614,393	631,819	667,759	714,992	748,151	746,832	776,357	—
Potatoes (1,000 cwt)	362,039	408,809	361,743	389,320	356,438	370,444	402,110	417,622	425,367	419,415
Sweet potatoes (1,000 cwt)	12,902	14,573	12,368	11,611	10,945	11,358	12,594	11,203	12,005	11,791
Dry edible beans (1,000 cwt)	21,070	22,298	22,960	26,031	19,253	23,729	32,379	33,765	22,815	21,842
1992										
	Sep	Oct	Nov	Dec	July	Aug	Sep	Oct	Nov	Dec
Shipments (1,000 cwt)										
Fresh	15,768	16,905	17,741	18,447	19,416	16,292	18,424	16,281	15,287	19,306
Iceberg lettuce	4,393	4,760	4,237	3,819	3,715	3,971	4,971	4,110	3,283	4,187
Tomatoes, all	2,108	2,570	2,120	2,274	2,742	2,183	2,944	2,885	2,408	2,200
Dry-bulb onions	3,462	3,137	2,777	3,217	2,877	2,793	3,639	2,859	2,776	2,960
Other 5/	5,805	6,438	8,607	9,137	10,082	7,345	6,870	6,427	6,640	9,959
Potatoes, all	11,132	12,671	12,124	12,881	9,393	8,622	13,504	11,563	12,404	14,952
Sweet potatoes	278	419	645	606	178	154	343	244	565	353

1/ Includes fresh production of asparagus, broccoli, carrots, cauliflower, celery, sweet corn, lettuce, honeydews, onions, & tomatoes. 2/ Includes processing production of snap beans, sweet corn, green peas, tomatoes, cucumbers (for pickles), asparagus, broccoli, carrots, & cauliflower. 3/ Excludes estimates reclassified in 1992 to preserve earlier comparability. 4/ Fresh & processing asparagus mushrooms only. Excludes specialty varieties. Crop year July 1 - June 30. 5/ Includes snap beans, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, bell peppers, squash, cantaloupes, honeydews, & watermelons. P = preliminary. — = not available.

Information contacts: Gary Lucier or John Love (202) 219-0884.

Table 22.—Other Commodities

	Annual					1992		1993		
	1986	1989	1990	1991	1992	July-Sept	Oct-Dec	Jan-Mar	Apr-June	July-Sept
Sugar										
Production 1/	7,087	6,841	6,334	7,133	7,501	722	3,919	2,351	825	735
Deliveries 1/	8,188	8,340	8,661	8,704	8,920	2,408	2,303	2,067	2,201	2,491
Stocks, ending 1/	3,132	2,947	2,729	3,039	3,220	1,451	3,225	3,904	2,957	1,599
Coffee										
Composite green price N.Y. (cts/lb.)	119.59	95.17	78.93	70.09	55.30	48.36	61.84	60.48	55.07	69.47
Imports, green bean equiv. (mil. lbs.) 2/	2,072	2,685	2,715	2,553	2,989	704	705	767	596	575
1993										
	1990	1991	1992	Sept	Apr	May	June	July	Aug	Sept
Tobacco										
Prices at auctions 3/										
Flue-cured (\$/lb.)	167.3	172.3	—	162.5	—	—	—	158.0	160.0	173.0
Burley (\$/lb.)	175.3	178.8	—	—	—	—	—	—	—	—
Domestic consumption 4/										
Cigarettes (bil.)	523.1	516.3	509.5	43.0	37.9	39.4	41.0	37.5	39.2	37.4
Large cigars (mil.)	2,343.5	2,231.9	2,217.1	194.2	159.0	175.2	227.7	154.5	211.6	192.8

1/ 1,000 short tons, raw value. Quarterly data shown at end of each quarter. 2/ Net imports of green & processed coffee. 3/ Crop year July-June for flue-cured, Oct.-Sept. for burley. 4/ Taxable removals. — = not available.

Information contacts: Sugar, Peter Buzzanell (202) 219-0885, Coffee, Fred Gray (202) 219-0888, Tobacco, Verner Grise (202) 219-0890.

World Agriculture

Table 23.—World Supply & Utilization of Major Crops, Livestock & Products

	1987/88	1988/89	1989/90	1990/91	1991/92	1992/93 P	1993/94 F
Million units							
Wheat							
Area (hectares)	219.7	217.4	225.8	231.4	222.3	222.4	223.0
Production (metric tons)	496.0	495.0	533.0	588.1	542.5	560.3	562.4
Exports (metric tons) 1/	112.1	102.8	102.0	101.6	108.9	109.7	100.0
Consumption (metric tons) 2/	525.0	524.9	532.2	563.7	559.0	546.8	561.3
Ending stocks (metric tons) 3/	150.1	120.2	121.0	145.4	128.8	142.3	143.5
Coarse grains							
Area (hectares)	323.3	323.2	320.8	314.2	317.8	317.5	311.0
Production (metric tons)	784.2	721.1	790.9	820.7	803.4	855.7	778.6
Exports (metric tons) 1/	88.2	95.3	103.8	88.1	93.5	88.1	84.0
Consumption (metric tons) 2/	807.2	785.0	814.1	808.5	809.4	831.9	817.2
Ending stocks (metric tons) 3/	215.0	151.0	127.9	140.2	134.3	158.1	117.5
Rice, milled							
Area (hectares)	141.7	145.5	146.6	148.7	145.7	145.1	144.0
Production (metric tons)	314.5	330.1	343.1	350.7	348.3	351.3	346.7
Exports (metric tons) 4/	11.2	13.9	11.7	12.0	14.1	15.1	15.5
Consumption (metric tons) 2/	319.8	327.7	336.4	345.8	352.9	354.9	355.4
Ending stocks (metric tons) 3/	45.5	47.8	54.5	59.4	54.8	51.3	42.5
Total grains							
Area (hectares)	684.7	686.1	693.2	692.3	685.8	685.0	678.0
Production (metric tons)	1,594.7	1,548.2	1,667.0	1,759.5	1,694.2	1,767.3	1,685.7
Exports (metric tons) 1/	211.5	212.1	217.5	201.7	216.5	212.9	199.5
Consumption (metric tons) 2/	1,652.1	1,637.6	1,682.7	1,718.0	1,721.3	1,733.6	1,733.9
Ending stocks (metric tons) 3/	410.6	319.0	303.4	345.0	317.9	351.7	303.5
Oilseeds							
Crush (metric tons)	168.4	164.5	171.8	176.6	184.0	184.0	185.8
Production (metric tons)	210.5	201.6	212.5	215.8	223.3	226.9	223.7
Exports (metric tons)	39.5	31.5	35.6	33.3	37.7	37.6	37.3
Ending stocks (metric tons)	24.0	22.1	23.7	23.4	21.7	23.4	19.7
Meals							
Production (metric tons)	115.4	111.1	117.0	119.3	124.4	124.6	126.8
Exports (metric tons)	35.8	37.4	39.9	40.7	43.1	41.8	43.0
Oils							
Production (metric tons)	53.3	53.3	57.1	58.1	60.3	60.8	62.7
Exports (metric tons)	17.5	18.1	20.4	20.6	20.8	20.7	21.5
Cotton							
Area (hectares)	30.8	33.7	31.5	33.1	34.7	32.7	31.5
Production (bales)	81.1	84.4	79.8	87.0	96.0	82.8	79.2
Exports (bales)	29.9	33.1	31.3	29.7	28.4	24.8	25.5
Consumption (bales)	64.2	85.3	86.6	85.5	84.5	85.6	85.0
Ending stocks (bales)	32.8	31.8	26.2	28.5	40.6	38.4	32.7
	1987	1988	1989	1990	1991	1992	1993 F
Red meat							
Production (metric tons)	112.8	114.2	116.3	117.7	118.1	118.9	120.6
Consumption (metric tons)	110.8	112.8	114.2	115.8	116.5	117.6	119.3
Exports (metric tons) 1/	6.9	7.0	7.1	7.4	7.0	6.6	6.9
Poultry 5/							
Production (metric tons)	32.0	33.1	35.0	36.8	39	40.5	42.1
Consumption (metric tons)	31.4	32.6	34.3	36.2	38.5	39.8	41.4
Exports (metric tons) 1/	1.7	1.7	1.9	2.2	2.3	2.6	2.8
Dairy							
Milk production (metric tons)	425.7	428.9	434.7	442.0	429.4	415.0	407.8

1/ Excludes intra-EC trade. 2/ Where stocks data not available (excluding USSR), consumption includes stock changes. 3/ Stocks data are based on differing marketing years & do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. 4/ Calendar year data. 1987 data correspond with 1986/87, etc. 5/ Poultry excludes the Peoples Republic of China before 1986. P = preliminary. F = forecast.

Information contacts: Crops, Carol Whitton (202) 219-0824; red meat & poultry, Linda Bailey (202) 219-1285; dairy, Sara Short (202) 219-0770.

U.S. Agricultural Trade

Table 24.—Prices of Principal U.S. Agricultural Trade Products

	Annual			1992	1993					
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec
Export commodities										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	3.52	4.13	3.83	4.03	3.50	3.56	3.58	3.72	3.99	4.33
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	2.75	2.66	2.62	2.42	2.64	2.61	2.59	2.71	2.97	3.10
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.89	2.63	2.56	2.45	2.60	2.58	2.52	2.57	2.93	3.07
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	6.05	6.01	6.53	5.96	7.32	7.01	6.69	6.40	6.88	7.18
Soybean oil, Decatur (cts./lb.)	20.14	19.16	22.83	20.58	23.96	23.34	23.51	22.90	25.42	28.19
Soybean meal, Decatur (\$/ton)	172.90	177.79	199.18	188.30	229.44	219.06	202.13	195.43	211.31	206.81
Cotton, 7-market avg. spot (cts./lb.)	69.69	53.90	55.36	51.85	54.35	53.04	54.01	54.57	55.61	60.29
Tobacco, avg. price at auction (cts./lb.)	179.23	172.58	171.2	182.51	158.01	159.51	173.08	174.92	181.01	181.47
Rice, f.o.b. mill, Houston (\$/cwt)	16.46	16.80	16.12	15.63	13.50	13.50	13.50	16.13	23.50	25.50
Inedible tallow, Chicago (cts./lb.)	13.26	14.37	14.87	16.00	14.95	14.25	14.47	14.67	14.50	14.50
Import commodities										
Coffee, N.Y. spot (\$/lb.)	0.71	0.50	0.59	0.66	0.81	0.63	0.68	0.66	0.85	0.63
Rubber, N.Y. spot (cts./lb.)	45.73	46.25	45.00	48.03	43.30	43.85	44.54	44.23	44.91	44.75
Cocoa beans, N.Y. (\$/lb.)	0.52	0.47	0.47	0.44	0.45	0.46	0.53	0.53	0.54	0.57

Information contact: Mary Teymourian (202) 219-0824.

Table 25.—Indexes of Real Trade-Weighted Dollar Exchange Rates ^{1/}

	1992	1993									
	Dec	Jan	Feb	Mar	Apr	May	June	July P	Aug P	Sept P	Oct P
	1985 = 100										
Total U.S. trade ^{2/}	65.8	67.3	68.4	68.3	66.1	66.9	66.3	68.2	68.2	67.0	67.9
Agricultural trade											
U.S. markets	77.3	78.2	78.4	78.3	77.0	77.3	75.8	76.8	72.7	69.8	69.1
U.S. competitors	77.4	78.3	78.6	79.1	78.4	78.9	78.7	78.8	79.1	79.0	78.0
Wheat											
U.S. markets	95.9	97.3	98.1	99.8	98.8	99.7	93.7	94.4	87.2	86.7	74.7
U.S. competitors	73.3	74.1	73.7	73.0	72.6	72.9	74.9	75.7	76.7	77.0	77.1
Soybeans											
U.S. markets	64.2	65.6	65.9	65.5	63.9	64.3	63.3	64.7	62.0	61.6	61.7
U.S. competitors	53.0	53.3	53.7	53.9	53.8	54.0	50.4	50.2	50.3	51.0	51.8
Corn											
U.S. markets	68.9	69.6	69.3	68.6	67.1	67.1	66.5	67.3	62.0	61.8	61.0
U.S. competitors	57.2	57.5	57.7	57.6	56.3	56.4	57.8	58.9	59.2	57.9	58.3
Cotton											
U.S. markets	73.4	74.1	74.1	73.6	72.4	72.6	71.3	72.0	57.8	49.8	53.9
U.S. competitors	108.4	110.5	110.2	110.4	110.0	110.3	104.9	105.1	104.8	104.9	97.8

^{1/} Real indexes adjust nominal exchange rates for differences in rates of inflation, to avoid the distortion caused by high-inflation countries. A higher value means the dollar has appreciated. See the October 1988 issue of Agricultural Outlook for a discussion of the calculations and the weights used. ^{2/} Federal Reserve Board Index of trade-weighted value of the U.S. dollar against 10 major currencies. Weights are based on relative importance in world financial markets. P = preliminary.

Information contact: Tim Baxter (202) 219-0782.

Table 26.—Trade Balance

	Fiscal year ^{1/}								Nov
	1987	1988	1989	1990	1991	1992	1993	1994 F	1993
	\$ million								
Exports									
Agricultural	27,876	35,316	39,590	40,220	37,609	42,430	42,590	42,500	3,902
Nonagricultural	202,911	258,656	301,269	326,059	358,682	383,517	390,770	—	33,959
Total ^{2/}	230,787	293,972	340,859	366,279	394,291	425,947	433,360	—	37,861
Imports									
Agricultural	20,850	21,014	21,476	22,560	22,588	24,323	24,454	24,500	2,077
Nonagricultural	367,374	409,138	441,075	458,101	463,720	488,556	537,584	—	49,207
Total ^{3/}	388,024	430,152	462,551	480,661	486,308	512,879	562,038	—	51,284
Trade balance									
Agricultural	7,226	14,302	18,114	17,660	15,021	18,107	18,136	18,000	1,825
Nonagricultural	-164,463	-150,482	-139,806	-132,042	-107,038	-105,039	-146,814	—	-15,248
Total	-157,237	-136,180	-121,692	-114,382	-92,017	-86,932	-128,678	—	-13,423

^{1/} Fiscal years begin October 1 & end September 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. ^{2/} Domestic exports including Department of Defense shipments (F.A.S. value). ^{3/} Imports for consumption (customs value). F = forecast. — = not available.

Information contact: Joel Greene (202) 219-0822.

Table 27.—U.S. Agricultural Exports & Imports

	Fiscal year*			Nov	Fiscal year*			Nov
	1992	1993	1994 F	1993	1992	1993	1994 F	1993
	1,000 units				\$ million			
EXPORTS								
Animals, live (no.) 1/	1,476	1,107	—	96	567	358	—	95
Meats & preps., excl. poultry (mt)	1,107	1,160	2/ 1,000	100	3,236	3,349	—	284
Dairy products (mt) 1/	174	211	—	26	641	782	900	78
Poultry meats (mt)	794	986	1,000	97	915	1,031	—	100
Fats, oils, & greases (mt)	1,392	1,362	1,400	96	498	519	—	35
Hides & skins incl. furskins	—	—	—	—	1,336	1,288	—	101
Cattle hides, whole (no.) 1/	20,803	19,784	—	1,512	1,106	1,062	—	81
Mink pelts (no.) 1/	3,160	3,119	—	110	52	56	—	3
Grains & feeds (mt)	100,881	103,743	—	8,583	13,873	14,104	3/ 13,600	1,213
Wheat (mt)	34,322	36,078	30,000	3,064	4,323	4,737	4/ 3,900	395
Wheat flour (mt)	813	1,075	1,100	66	185	217	—	13
Rice (mt)	2,279	2,710	2,800	211	757	768	1,100	63
Feed grains, incl. products (mt)	50,752	50,705	42,800	4,121	5,801	5,261	5,100	466
Feeds & fodders (mt)	11,267	11,500	5/ 11,800	963	2,019	2,147	—	186
Other grain products (mt)	1,448	1,676	—	157	807	978	—	90
Fruits, nuts, & preps. (mt)	3,505	3,398	—	289	3,514	3,409	3,700	340
Fruit juices incl.								
froz. (1,000 hectoliters) 1/	7,787	7,845	—	387	427	423	—	29
Vegetables & preps. (mt)	2,703	2,790	—	234	2,790	3,220	—	289
Tobacco, unmanufactured (mt)	246	231	—	18	1,568	1,443	1,300	108
Cotton, excl. linters (mt)	1,494	1,125	1,300	88	2,183	1,526	1,700	118
Seeds (mt)	912	533	—	37	650	648	700	69
Sugar, cane or beet (mt) 1/	492	337	—	21	154	108	—	7
Oilseeds & products (mt)	28,671	29,190	—	2,859	7,162	7,211	7,300	750
Oilseeds (mt)	19,939	21,049	—	2,036	4,735	4,882	—	519
Soybeans (mt)	19,277	20,400	17,100	1,969	4,318	4,606	4,500	482
Protein meal (mt)	7,082	8,539	—	703	1,445	1,261	—	148
Vegetable oils (mt)	1,851	1,601	—	120	982	968	—	82
Essential oils (mt)	13	13	—	1	184	185	—	18
Other	91	92	—	7	2,733	3,011	—	281
Total	142,175	145,171	130,000	12,453	42,430	42,590	42,500	3,902
IMPORTS								
Animals, live (no.) 1/	2,830	3,461	—	334	1,275	1,569	1,700	135
Meats & preps., excl. poultry (mt)	1,134	1,128	—	62	2,684	2,728	—	202
Beef & veal (mt)	813	793	780	48	1,933	1,919	1,900	121
Pork (mt)	283	276	280	28	625	663	700	67
Dairy products (mt) 1/	232	231	—	25	818	860	900	90
Poultry & products 1/	—	—	—	—	132	137	—	11
Fats, oils, & greases (mt)	46	44	—	3	26	30	—	2
Hides & skins, incl. furskins 1/	—	—	—	—	185	181	—	12
Wool, unmanufactured (mt)	54	60	—	4	167	173	—	11
Grains & feeds (mt)	5,446	4,942	4,800	909	1,548	1,839	1,800	202
Fruits, nuts, & preps., excl. juices (mt)	5,883	6,089	6,000	439	2,919	2,988	—	201
Bananas & plantains (mt)	3,826	3,737	3,700	320	1,083	1,083	1,000	86
Fruit juices (1,000 hectoliters) 1/	26,049	27,053	22,000	3,020	871	640	—	68
Vegetables & preps. (mt)	2,171	2,733	—	214	2,125	2,440	2,500	180
Tobacco, unmanufactured (mt)	364	386	250	20	1,299	1,101	600	56
Cotton, unmanufactured (mt)	11	12	—	1	10	11	—	1
Seeds (mt)	174	189	220	13	214	214	200	16
Nursery stock & cut flowers 1/	—	—	—	—	578	629	—	63
Sugar, cane or beet (mt)	1,623	1,589	—	87	633	591	—	39
Oilseeds & products (mt)	2,330	2,484	—	303	1,124	1,204	1,400	130
Oilseeds (mt)	429	373	—	74	135	130	—	21
Protein meal (mt)	629	618	—	69	84	89	—	10
Vegetable oils (mt)	1,273	1,492	—	160	904	985	—	99
Beverages excl. fruit juices (1,000 hectoliters) 1/	13,739	14,014	—	1,324	2,044	1,975	—	210
Coffee, tea, cocoa, spices (mt)	2,391	2,244	2,300	165	3,415	3,018	—	256
Coffee, incl. products (mt)	1,330	1,185	1,250	64	1,798	1,502	1,600	105
Cocoa beans & products (mt)	773	770	750	71	1,122	1,028	1,000	104
Rubber & allied gums (mt)	920	981	1,200	87	756	839	900	71
Other	—	—	—	—	1,503	1,488	—	122
Total	—	—	—	—	24,323	24,454	24,500	2,077

*Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. 1/ Not included in total volume.
 2/ Forecasts for footnoted items 2/-5/ are based on slightly different groups of commodities. Totals for fiscal 1993 forecast commodities were 2/ 903 million tons. 3/ \$14,332 million. 4/ \$4,954 million, includes flour. 5/ \$11,885 million. F = forecast. — = not available.

Information contact: Joel Greene (202) 219-0822.

Table 28.—U.S. Agricultural Exports by Region

Region & country	Fiscal year*			Nov	Change from year* earlier			Nov
	1992	1993	1994 F	1993	1992	1993	1994 F	1993
	\$ million			Percent				
WESTERN EUROPE	7,740	7,499	7,500	800	6	-3	0	5
European Community (EC-12)	7,193	7,022	7,000	756	6	-2	0	-4
Belgium-Luxembourg	461	482	—	65	-1	5	—	6
France	618	613	—	62	8	-1	—	3
Germany	1,091	1,146	—	90	-4	6	—	-27
Italy	684	568	—	73	1	-17	—	45
Netherlands	1,812	1,801	—	185	16	-1	—	-1
United Kingdom	882	916	—	127	0	4	—	52
Portugal	240	223	—	22	-4	-7	—	339
Spain, Incl. Canary Islands	951	629	—	94	11	-13	—	-9
Other Western Europe	546	477	500	45	2	-13	5	26
Switzerland	167	152	—	12	-4	-19	—	25
EASTERN EUROPE	222	468	400	37	-27	111	-15	-41
Poland	49	230	—	11	7	368	—	-66
Former Yugoslavia	50	47	—	5	-32	-6	—	-6
Romania	76	107	—	8	-7	42	—	-46
Former Soviet Union	2,704	1,561	1,200	281	54	-42	-23	36
ASIA	17,782	17,832	16,400	1,595	10	0	-8	3
West Asia (Mideast)	1,770	1,822	2,000	166	24	9	4	24
Turkey	344	369	—	49	54	7	—	30
Iraq	0	1	0	0	0	150	0	0
Israel, incl. Gaza & W. Bank	346	362	400	12	21	10	5	-57
Saudi Arabia	549	463	500	53	2	-16	8	46
South Asia	536	641	—	37	43	20	—	-43
Bangladesh	123	52	—	9	84	-58	—	18
India	117	228	—	7	24	93	—	-50
Pakistan	226	236	300	21	57	4	27	-40
China	690	322	300	50	3	-53	-7	900
Japan	8,383	8,461	8,900	767	8	1	5	14
Southeast Asia	1,470	1,551	—	158	19	6	—	9
Indonesia	353	327	—	41	27	-7	—	141
Philippines	443	512	600	56	19	16	17	-9
Other East Asia	4,934	4,935	5,000	416	6	0	1	-20
Taiwan	1,916	1,996	2,100	192	10	4	5	-4
Korea, Rep.	2,200	2,041	2,000	140	2	-7	-2	-36
Hong Kong	817	880	900	84	10	8	2	-17
AFRICA	2,304	2,671	2,500	164	22	16	-6	-36
North Africa	1,411	1,659	1,700	108	2	18	2	-18
Morocco	156	310	—	25	21	98	—	-6
Algeria	478	458	500	61	0	-4	9	80
Egypt	709	756	800	18	2	7	6	-71
Sub-Saharan	893	1,012	800	57	80	13	-21	-55
Nigeria	31	158	—	14	-30	413	—	-15
Rep. S. Africa	328	383	—	5	343	17	—	-94
LATIN AMERICA & CARIBBEAN	6,438	6,883	6,900	527	17	7	0	-12
Brazil	143	231	200	12	-47	61	-13	-81
Caribbean Islands	970	1,015	—	77	-4	5	—	-11
Central America	587	675	—	68	18	15	—	23
Colombia	142	234	—	22	15	65	—	-36
Mexico	3,676	3,660	3,900	243	27	0	7	-3
Peru	179	172	—	25	19	-4	—	38
Venezuela	394	502	400	43	28	27	-20	-9
CANADA	4,812	5,220	5,200	456	9	8	0	10
OCEANIA	428	456	400	42	23	6	-12	3
TOTAL	42,430	42,590	42,500	3,902	13	0	0	0
Developed countries	21,968	22,337	22,400	2,076	9	2	0	5
Developing countries	19,771	19,918	—	1,777	17	1	—	-6
Other countries	691	335	—	50	3	-51	—	902

* Fiscal years begin Oct. 1 & end Sept. 30. Fiscal year 1993 began Oct. 1, 1992 & ended Sept. 30, 1993. F = forecast. — = not available.
 Note: Adjusted for transshipments through Canada.

Information contact: Joel Greene (202) 219-0822.

Farm Income

Table 29.—Farm Income Statistics

	Calendar year										
	1984	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	\$ billion										
1. Farm receipts	147.7	150.1	140.0	148.5	158.4	168.9	177.5	176.5	178.8	179	183 to 190
Crops (incl. net CCC loans)	89.9	74.3	63.7	65.9	71.7	77.0	80.1	81.9	84.8	82	87 to 91
Livestock	72.0	69.8	71.6	76.0	79.4	84.1	89.8	86.6	86.4	90	87 to 91
Farm related 1/	4.9	6.0	5.7	6.6	7.3	7.8	7.6	7.8	7.6	7	7 to 9
2. Direct Government payments	8.4	7.7	11.8	16.7	14.5	10.9	9.3	8.2	9.2	11	10 to 12
Cash payments	4.0	7.6	8.1	6.6	7.1	9.1	8.4	8.2	9.2	11	10 to 11
Value of P&K commodities	4.5	0.1	3.7	10.1	7.4	1.7	0.9	0.0	0.0	0	0 to 1
3. Gross cash income (1+2) 2/	156.1	157.9	152.8	165.1	172.9	179.8	186.8	184.7	187.9	190	193 to 201
4. Nonmoney income 3/	5.9	5.6	5.5	5.0	6.3	6.3	6.2	5.9	6.1	6	6 to 7
5. Value of inventory change	6.0	-2.3	-2.2	-2.3	-3.4	4.8	3.4	-0.3	3.8	-3	3 to 7
6. Total gross farm income (3+4+5)	168.0	161.2	156.1	168.5	175.8	190.9	196.4	190.3	197.7	194	204 to 213
7. Cash expenses 4/	118.7	110.7	105.0	109.4	118.4	125.1	130.9	131.4	130.2	131	130 to 138
8. Total expenses	141.9	132.4	125.1	128.8	137.0	144.0	149.9	150.3	149.1	151	150 to 159
9. Net cash income (3-7)	37.4	47.1	47.8	55.8	54.5	64.7	55.9	53.3	57.7	59	58 to 66
10. Net farm income (8-8)	28.1	28.6	31.0	39.7	38.6	48.9	46.5	40.0	48.6	43	50 to 58
Deflated (1987\$)	28.7	30.5	32.0	39.7	37.3	43.3	41.1	34.0	40.2	35	40 to 46

1/ Income from machine hire, custom work, sales of forest products, & other miscellaneous cash sources. 2/ Numbers in parentheses indicate the combination of items required to calculate a given item. 3/ Value of home consumption of self-produced food & imputed gross rental value of farm dwellings. 4/ Excludes capital consumption, perquisites to hired labor, & farm household expenses. Total may not add because of rounding. P = preliminary. F = forecast.
 Note: 1988-92 accounts (primarily expenses) have been revised to reflect improved methods for estimating farm income. Call contact for information.

Information contact: Robert McElroy (202) 219-0800.

Table 30.—Average Income to Farm Operator Households

	Calendar year					
	1989	1990	1991	1992 P	1993 F	1994 F
	\$ per operator household					
Farm income to household 1/	5,796	5,742	4,397	4,882	4,900	4,500 to 5,500
Self-employment farm income	4,723	4,973	2,283	3,677	n/a	n/a
Other farm income to household	1,073	768	2,114	1,205	n/a	n/a
Plus: Total off-farm income	26,223	33,265	31,838	35,731	35,000	31,500 to 41,500
Income from wages, salaries, and non-farm businesses	19,467	24,778	23,551	27,022	n/a	n/a
Income from interest, dividends, transfer payments, etc.	6,756	8,487	8,087	8,709	n/a	n/a
Equals: Farm operator household income	32,019	39,007	36,035	40,613	39,900	36,000 to 47,000

1/ Farm income to the household equals self-employment income plus amounts that operators pay themselves & family members to work on the farm, income from renting out acreage, & net income from a farm business other than the one being surveyed. Data for 1989-90 are based on surveys that did not fully account for small farms. Data for 1991 include an additional 350,000 farms, many with gross sales under \$10,000 & negative net farm incomes. P = preliminary. F = forecasts. n/a = not available at this time.

Information contact: Janet Perry (202) 219-0807.

Table 31.—Balance Sheet of the U.S. Farming Sector

	Calendar year 1/										
	1984	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	\$ billion										
Assets											
Real estate	661.8	586.2	542.3	578.9	595.5	615.7	628.2	623.2	633.1	648	660 to 670
Non-real estate	195.2	186.5	182.1	193.7	205.8	214.1	220.2	219.1	228.4	230	230 to 240
Livestock & poultry	49.5	46.3	47.8	58.0	62.2	66.2	70.9	68.1	71.3	71	72 to 76
Machinery & motor vehicles	85.0	82.9	81.5	80.0	81.2	85.1	85.4	85.8	85.8	86	85 to 89
Crops stored 2/	26.1	22.9	18.3	17.5	23.3	23.4	22.8	22.0	24.1	25	24 to 28
Purchased inputs	2.0	1.2	2.1	3.2	3.5	2.6	2.8	2.6	3.9	3	2 to 4
Financial assets	32.6	33.3	34.5	35.1	35.4	36.8	38.3	40.6	43.4	45	45 to 49
Total farm assets	857.0	772.7	724.4	772.6	801.1	829.7	848.4	842.2	861.5	878	895 to 905
Liabilities											
Real estate debt 3/	108.7	100.1	90.4	82.4	77.6	75.4	74.1	74.6	75.6	78	76 to 80
Non-real estate debt 4/	87.1	77.5	66.6	62.0	61.7	61.9	63.2	64.3	63.6	65	64 to 68
Total farm debt	193.8	177.6	157.0	144.4	139.4	137.2	137.4	138.9	139.3	141	141 to 147
Total farm equity	663.3	595.1	567.5	628.2	661.7	692.4	710.9	703.3	722.2	737	750 to 760
	Percent										
Selected ratios											
Debt-to-assets	22.6	23.0	21.7	18.7	17.4	16.5	16.2	16.5	16.2	16	15 to 17
Debt-to-equity	29.2	29.8	27.7	23.0	21.1	19.8	19.3	19.7	19.3	19	18 to 20
Debt-to-net cash income	518	377	328	259	256	251	246	260	241	237	240 to 250

1/ As of Dec. 31. 2/ Non-CCC crops held on farms plus value above loan rates for crops held under CCC. 3/ Excludes debt on operator dwellings, but includes CCC storage and drying facilities loans. 4/ Excludes debt for nonfarm purposes. F = forecast.

Information contacts: Ken Erickson or Jim Ryan (202) 219-0798.

Table 32.—Cash Receipts From Farm Marketings, by State

Region & State	Livestock & products				Crops 1/				Total 1/			
	1991	1992	Oct 1993	Nov 1993	1991	1992	Oct 1993	Nov 1993	1991	1992	Oct 1993	Nov 1993
	\$ million 2/											
NORTH ATLANTIC												
Maine	292	301	27	28	192	213	19	25	484	513	45	53
New Hampshire	63	65	5	6	79	79	8	8	142	144	13	12
Vermont	370	389	31	32	64	63	4	5	434	452	36	38
Massachusetts	129	135	11	11	356	356	41	56	485	491	52	67
Rhode Island	12	13	1	1	57	60	4	4	69	72	5	5
Connecticut	208	240	23	26	284	249	19	18	472	489	42	45
New York	1,793	1,914	155	164	1,081	1,032	106	94	2,874	2,946	261	258
New Jersey	193	192	16	16	465	465	43	48	658	657	59	64
Pennsylvania	2,405	2,554	230	226	997	1,064	104	105	3,402	3,618	334	331
NORTH CENTRAL												
Ohio	1,681	1,580	147	145	2,484	2,587	462	214	4,165	4,167	609	358
Indiana	1,917	1,821	182	174	2,583	2,684	565	240	4,500	4,505	746	414
Illinois	2,353	2,202	207	180	5,181	5,431	820	345	7,534	7,634	1,027	525
Michigan	1,288	1,325	125	122	1,922	1,962	253	253	3,210	3,286	378	375
Wisconsin	4,191	4,313	350	341	1,225	1,188	126	176	5,417	5,499	476	516
Minnesota	3,593	3,622	348	311	3,786	3,460	459	421	7,378	7,082	807	732
Iowa	5,720	5,614	523	441	4,529	4,716	664	416	10,250	10,330	1,186	857
Missouri	2,268	2,188	220	198	1,642	1,935	392	191	3,911	4,123	612	389
North Dakota	670	755	127	83	1,877	2,339	296	351	2,547	3,094	423	434
South Dakota	2,125	1,966	230	199	1,188	1,263	283	126	3,314	3,229	514	325
Nebraska	5,933	5,674	616	455	3,111	3,109	478	322	9,044	8,783	1,094	778
Kansas	4,800	4,558	432	311	2,276	2,442	383	190	7,076	7,000	815	501
SOUTHERN												
Delaware	438	451	49	39	184	184	39	24	622	636	87	64
Maryland	788	604	71	70	564	587	88	74	1,352	1,391	159	143
Virginia	1,363	1,353	176	132	753	781	128	80	2,116	2,134	304	212
West Virginia	253	267	29	25	71	75	6	7	324	343	36	32
North Carolina	2,617	2,795	322	307	2,339	2,386	521	205	4,956	5,181	843	513
South Carolina	549	545	54	51	677	632	110	55	1,226	1,177	164	106
Georgia	2,162	2,309	240	199	1,772	1,764	436	189	3,934	4,073	676	389
Florida	1,172	1,160	92	96	4,953	4,985	164	241	6,125	6,145	257	337
Kentucky	1,705	1,641	142	240	1,491	1,580	111	283	3,196	3,221	253	524
Tennessee	1,044	1,061	94	95	893	1,042	147	224	1,936	2,103	242	319
Alabama	2,237	2,063	204	173	770	768	174	86	3,007	2,830	378	259
Mississippi	1,276	1,355	154	119	1,108	1,247	232	236	2,383	2,602	386	355
Arkansas	2,664	2,702	254	248	1,578	1,901	279	317	4,242	4,602	533	565
Louisiana	636	587	54	48	1,092	1,259	226	267	1,728	1,848	280	315
Oklahoma	2,788	2,498	231	152	1,068	1,137	116	83	3,856	3,635	347	236
Texas	7,881	7,523	738	622	4,336	4,097	530	468	12,217	11,620	1,267	1,089
WESTERN												
Montana	810	921	197	173	704	821	86	101	1,514	1,742	283	273
Idaho	1,065	1,173	126	102	1,586	1,643	280	259	2,651	2,816	408	360
Wyoming	688	606	114	71	169	167	12	46	837	773	126	117
Colorado	2,663	2,955	272	257	1,099	1,083	121	144	3,762	4,038	393	401
New Mexico	978	1,040	128	123	474	490	57	60	1,452	1,530	184	183
Arizona	786	892	66	87	1,081	943	71	106	1,867	1,835	157	193
Utah	550	556	58	49	171	182	20	21	721	738	77	70
Nevada	209	202	21	13	88	71	7	8	297	273	29	21
Washington	1,299	1,532	134	139	2,844	2,922	384	282	4,143	4,454	519	421
Oregon	826	795	85	78	1,899	1,695	247	206	2,525	2,490	332	284
California	5,254	5,055	430	417	12,523	13,179	1,706	1,684	17,777	18,234	2,136	2,101
Alaska	6	6	0	0	20	20	2	2	27	25	2	3
Hawaii	88	88	8	7	474	476	41	40	562	564	49	47
UNITED STATES	86,780	86,358			81,942	84,810			168,721	171,168		

1/ Sales of farm products include receipts from commodities placed under nonrecourse CCC loans, plus additional gains realized on redemptions during the period. 2/ Estimates as of end of current month. Totals may not add because of rounding.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via postal mail or e-mail contact Bob Dubman at (202) 219-0804.

Table 33.—Cash Receipts From Farming

	Annual						1992	1993				
	1987	1988	1989	1990	1991	1992	Nov	July	Aug	Sept	Oct	Nov
	\$ million											
Farm marketings & CCC loans*	141,844	151,154	161,163	169,973	168,721	171,168	20,221	13,416	14,120	15,779	20,440	17,009
Livestock & products	75,893	79,434	84,122	89,643	86,780	86,358	8,372	7,352	7,832	7,655	8,571	7,601
Meat animals	44,478	46,492	48,857	51,911	51,088	48,427	5,126	3,903	4,850	4,544	5,224	4,168
Dairy products	17,727	17,841	19,396	20,149	18,037	19,848	1,662	1,647	1,560	1,499	1,578	1,599
Poultry & eggs	11,515	12,868	15,372	15,243	15,122	15,441	1,397	1,424	1,419	1,382	1,580	1,519
Other	2,274	2,433	2,498	2,540	2,531	2,642	188	378	204	231	188	316
Crops	65,851	71,720	77,040	80,130	81,942	84,810	11,849	8,084	8,289	8,124	11,869	9,408
Food grains	5,790	7,469	8,247	7,517	7,410	8,890	1,003	1,210	901	321	812	702
Feed crops	14,635	14,283	17,054	16,671	19,491	20,073	2,744	1,511	1,474	2,100	3,003	1,915
Cotton (lint & seed)	4,189	4,546	6,033	5,489	6,236	5,207	835	32	65	194	781	1,111
Tobacco	1,818	2,083	2,415	2,741	2,886	2,961	257	63	505	472	432	340
Oil-bearing crops	11,283	13,800	11,886	12,258	12,700	12,996	3,259	581	804	1,879	3,351	1,548
Vegetables & melons	9,898	9,818	11,596	11,449	11,552	11,438	1,349	931	1,192	1,183	1,124	638
Fruits & tree nuts	8,065	9,027	9,173	9,440	9,888	10,163	1,235	993	823	1,085	1,237	1,379
Other	10,176	10,993	11,657	12,566	12,778	13,065	1,168	733	725	1,108	1,160	1,779
Government payments	16,747	14,480	10,887	9,298	8,214	9,169	313	121	88	224	—	—
Total	158,591	165,632	171,914	179,218	175,506	179,338	20,534	13,448	14,208	16,003	—	—

*Sales of farm products include receipts from commodities placed under nonrecourse CCC loans. Plus additional gains realized on redemptions during the period. — = not available.

Information contact: Roger Strickland (202) 219-0806. To receive current monthly cash receipts via mail contact Bob Dubman at (202) 219-0804.

Table 34.—Farm Production Expenses

	Calendar year									
	1985	1986	1987	1988	1989	1990	1991	1992 P	1993 F	1994 F
	\$ million									
Feed purchased	18,949	17,472	17,463	20,248	20,744	20,387	19,330	19,832	20,000	19,000 to 23,000
Livestock & poultry purchased	9,184	9,758	11,842	12,764	13,138	14,633	14,272	13,780	15,000	12,000 to 16,000
Seed purchased	3,128	3,188	3,259	4,082	4,400	4,521	5,119	4,918	5,000	4,000 to 8,000
Farm-origin inputs	29,261	30,418	32,564	37,071	38,281	39,742	38,722	38,531	40,000	39,000 to 43,000
Fertilizer & lime	7,512	8,820	6,453	7,681	8,177	8,210	8,671	8,340	8,000	7,000 to 11,000
Fuels & oils	8,436	5,310	4,957	4,800	4,772	5,790	5,599	5,311	5,000	4,000 to 7,000
Electricity	1,878	1,795	2,156	2,360	2,648	2,607	2,634	2,611	3,000	2,000 to 4,000
Pesticides	4,334	4,324	4,512	4,148	6,013	5,364	6,324	6,475	7,000	6,000 to 8,000
Manufactured inputs	20,159	18,249	18,078	18,987	20,610	21,971	23,229	22,738	23,000	22,000 to 26,000
Short-term interest	6,735	7,367	6,767	8,674	6,660	6,528	6,124	5,793	5,000	4,000 to 7,000
Real estate interest 1/	9,878	9,131	8,205	7,581	7,190	6,740	5,993	5,592	6,000	5,000 to 7,000
Total interest charges	16,613	16,498	14,972	14,255	13,850	13,268	12,088	11,385	11,000	10,000 to 14,000
Repair & maintenance 1/	6,370	6,426	6,759	7,717	8,407	8,553	8,830	8,489	8,000	8,000 to 10,000
Contract & hired labor	10,008	9,484	9,975	10,954	11,928	13,950	13,926	14,080	14,000	12,000 to 16,000
Machine hire & custom work	2,354	2,099	2,105	2,510	2,937	2,959	3,085	3,317	3,000	3,000 to 5,000
Marketing, storage, & transportation	4,127	3,652	4,078	3,516	4,206	4,211	4,719	4,542	4,000	4,000 to 6,000
Misc. operating expenses 1/ 2/	10,010	9,759	11,171	12,001	12,003	12,727	13,539	12,844	13,000	11,000 to 15,000
Other operating expenses	32,668	31,420	34,068	36,697	39,481	42,400	43,899	43,232	44,000	42,000 to 47,000
Capital consumption 1/	19,299	17,788	17,091	17,378	17,863	17,662	17,645	17,769	18,000	17,000 to 21,000
Taxes 1/	4,542	4,612	4,853	4,955	5,214	5,690	5,613	5,838	6,000	5,000 to 7,000
Net rent to nonoperator landlords	7,690	6,099	7,124	7,684	8,731	9,164	9,112	8,803	9,000	9,000 to 11,000
Other overhead expenses	31,531	28,499	29,069	30,016	31,807	32,517	32,370	33,210	33,000	33,000 to 36,000
Total production expenses	132,433	125,084	128,772	137,026	144,029	149,697	150,307	149,094	151,000	150,000 to 159,000

1/ Includes operator dwellings. 2/ Beginning in 1982, miscellaneous operating expenses include other livestock purchases, dairy assessments & feeding fees paid by nonoperators. Totals may not add because of rounding. P = preliminary. F = forecast.

Information contacts: Chris McGath (202) 219-0804, Robert McElroy (202) 219-0800.

Table 35.—CCC Net Outlays by Commodity & Function

	Fiscal year									
	scal year									
	1986	1987	1988	1989	1990	1991	1992	1993	1994 E	1995 E
	\$ million									
COMMODITY/PROGRAM										
Feed grains										
Corn	10,524	12,348	8,227	2,863	2,450	2,387	2,106	5,143	568	1,322
Grain sorghum	1,185	1,203	764	467	361	243	190	410	120	154
Barley	471	394	57	45	-93	71	174	186	191	132
Oats	26	17	-2	1	-5	12	32	18	7	4
Corn & oat products	5	7	7	8	8	9	9	10	11	0
Total feed grains	12,211	13,967	9,053	3,384	2,721	2,722	2,510	5,765	897	1,612
Wheat	3,440	2,836	878	53	808	2,958	1,719	2,185	1,806	1,924
Rice	947	906	128	631	667	887	715	887	820	314
Upland cotton	2,142	1,786	666	1,461	-79	382	1,443	2,239	1,670	1,160
Tobacco	253	-346	-453	-367	-307	-143	29	235	403	-183
Dairy	2,337	1,166	1,295	679	505	839	232	253	256	264
Soybeans	1,597	-476	-1,676	-86	5	40	-29	109	-147	-57
Peanuts	32	8	7	13	1	48	41	-13	97	32
Sugar	214	-65	-246	-25	15	-20	-19	-35	-24	-33
Honey	89	73	100	42	47	19	17	22	8	-4
Wool	123	152	1/ 5	93	104	172	191	179	198	137
Operating expense 3/	457	535	614	620	618	625	6	6	7	8
Interest expenditure	1,411	1,219	425	98	632	745	532	129	134	111
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,985	1,520
1988/95 Disaster/Tree/										
livestock assistance	0	0	0	3,919	2/ 181	121	1,054	944	2,702	1,000
Other	486	371	1,665	110	609	2	-162	949	1,306	1,182
Total	25,841	22,408	12,461	10,523	6,471	10,110	9,738	16,047	12,118	8,997
FUNCTION										
Price-support loans (net)	13,828	12,199	4,579	-926	-399	418	584	2,065	443	-71
Direct payments 5/										
Deficiency	6,166	4,833	3,971	5,798	4,178	6,224	5,491	8,607	4,347	4,733
Diversion	64	382	8	-1	0	0	0	0	0	0
Dairy termination	489	587	260	188	189	96	2	0	0	0
Loan Deficiency	27	60	0	42	3	21	214	387	423	9
Other	0	0	0	0	0	0	140	149	153	123
Disaster	0	0	6	4	0	0	0	0	0	0
Total direct payments	6,746	5,862	4,245	6,011	4,370	6,341	5,847	9,143	4,923	4,865
1988-95 crop disaster	0	0	0	3,386	2/ 5	6	960	872	2,648	1,000
Emergency livestock/tree/										
forage assistance	0	0	31	533	156	115	94	72	56	0
Purchases (net)	1,670	-479	-1,131	116	-48	646	321	525	484	203
Producer storage										
payments	485	832	658	174	185	1	14	9	35	23
Processing, storage,										
& transportation	1,013	1,659	1,113	659	317	394	185	136	120	115
Operating expense 3/	457	535	614	620	618	625	6	6	7	8
Interest expenditure	1,411	1,219	425	98	632	745	532	129	134	111
Export programs 4/	102	276	200	-102	-34	733	1,459	2,193	1,985	1,520
Other	329	305	1,727	-46	669	86	-264	897	1,285	1,223
Total	25,841	22,408	12,461	10,523	6,471	10,110	9,738	16,047	12,118	8,997

1/ Fiscal 1988 wool & mohair program outlays were \$130,635,000 but include a one-time advance appropriation of \$126,108,000, which was recorded as a wool program receipt by Treasury. 2/ Approximately \$1.5 billion in benefits to farmers under the Disaster Assistance Act of 1989 were paid in generic certificates in FY 90 & were not recorded directly as disaster assistance outlays. 3/ Does not include CCC Transfers to General Sales Manager. 4/ Includes Export Guarantee Program, Direct Export Credit Program, CCC Transfers to the General Sales Manager, Market Promotion Program, starting in fiscal 1991 & starting in fiscal 1992 the Export Guarantee Program - Credit Reform, Export Enhancement Program, Dairy Export Incentive Program, and Technical Assistance to Emerging Democracies. 5/ Includes cash payments only. Excludes generic certificates in FY 86-93. E = Estimated in the FY 1995 President's Budget which was released February 7, 1994 based on November/December, 1993 supply & demand estimates. Minus (-) indicates a net receipt (excess of repayments or other receipts over gross outlays of funds).

Information contact: Richard Pazdalski (202) 720-5148.

Food Expenditures

Table 36.—Food Expenditures

	Annual			1993		1993 year-to-date		1994
	1991	1992	1993P	Nov	Dec P	Nov	Dec P	Jan P
\$ billion								
Sales 1/								
Off-premise use 2/	315.3	319.4	328.8	26.8	30.5	296.4	326.9	26.6
Meals & snacks 3/	232.4	240.4	254.2	20.9	21.9	232.3	254.2	19.6
1992 \$ billion								
Sales 1/								
Off-premise use 2/	317.6	319.3	318.5	25.9	29.3	290.2	319.5	25.3
Meals & snacks 3/	237.1	240.3	250.1	20.4	21.3	228.8	250.1	19.1
Percent change from year earlier (\$ bil.)								
Sales 1/								
Off-premise use 2/	4.2	1.3	2.3	2.4	4.9	2.1	2.3	2.9
Meals & snacks 3/	3.2	3.4	5.8	6.0	6.5	5.7	5.8	2.6
Percent change from year earlier (1992 \$ bil.)								
Sales 1/								
Off-premise use 2/	1.5	0.5	0	-0.7	1.3	-0.1	0	-0.5
Meals & snacks 3/	-0.2	1.3	4.1	4.0	4.5	4.0	4.1	1.1

1/ Food only (excludes alcoholic beverages). Not seasonally adjusted. 2/ Excludes donations & home production. 3/ Excludes donations, child nutrition subsidies, & meals furnished to employees, patients, & inmates. R = revised. P = preliminary.

NOTE: This table differs from Personal Consumption Expenditures (PCE), table 2, for several reasons: (1) this series includes only food excluding alcoholic beverages & pet food which are included in PCE; (2) this series is not seasonally adjusted, whereas PCE is seasonally adjusted at annual rates; (3) this series reports sales only, but PCE includes food produced & consumed on farms & food furnished to employees; (4) this series includes all sales of meals & snacks. PCE includes only purchases using personal funds, excluding business travel & entertainment. For a more complete discussion of the differences, see "Developing an Integrated Information System for the Food Sector," Agr. Econ. Rpt. No. 575, Aug 1987.

Information contact: Aiden Manchester (202) 219-0880.

Transportation

Table 37.—Rail Rates; Grain & Fruit-Vegetable Shipments

	Annual			1992	1993					
	1991	1992	1993	Dec	July	Aug	Sept	Oct	Nov	Dec
Rail freight rate index 1/ (Dec. 1984=100)										
All products	109.3	109.9	110.8	110.3	110.9	110.9	110.9	111.3 P	111.1 P	111.1 P
Farm products	111.4	111.1	113.8	113.4	113.2	113.3	113.4	115.8 P	115.0 P	114.7 P
Grain	111.2	111.4	114.7	114.4	114.1	114.2	114.3	116.0 P	116.3 P	115.8 P
Food products	108.1	108.7	108.7	108.7	108.9	108.9	108.7	108.7 P	108.5 P	108.5 P
Grain shipments										
Rail carloadings (1,000 cars) 2/	26.6	27.4	27.4	29.6	25.9 P	25.6 P	26.9 P	28.8 P	27.4 P	26.2 P
Barge shipments (mil. ton) 3/	3.3	3.4	2.4	2.9	0.4	1.7	3.6	3.5	3.0	2.8
Fresh fruit & vegetable shipments 4/ 5/										
Piggy back (mil. cwt)	1.5	1.6	1.4	1.4	1.1	1.0	1.4	1.0	1.5	1.2
Rail (mil. cwt)	2.1	2.6	2.2	3.0	1.8	0.8	1.3	1.7	2.6	2.8
Truck (mil. cwt)	41.9	44.0	44.8	41.1	48.5	39.4	37.9	45.3	41.6	42.7
Cost of operating trucks hauling produce 4/										
Fleet operation (cts./mile)	126.5	124.1	127.2	125.1	127.0	126.2	125.8	129.2	128.8	127.4

1/ Department of Labor, Bureau of Labor Statistics. 2/ Weekly average; from Association of American Railroads. 3/ Shipments on Illinois & Mississippi waterways, U.S. Corps of Engineers. 4/ Agricultural Marketing Service, USDA. 5/ Preliminary data for 1993. P = preliminary. -- = not available.

Information contact: T.Q. Hutchinson (202) 219-0840.

Indicators of Farm Productivity

Table 38.—Indexes of Farm Production, Input Use & Productivity

	1983	1984	1985	1986	1987	1988	1989	1990	1991 1/	1992 2/
	1982=100									
Farm output	84	101	105	102	104	97	108	112	112	—
All livestock products	102	100	103	103	106	108	110	112	114	—
Meat animals	102	100	99	99	100	102	102	102	105	—
Dairy products	103	99	105	106	105	107	108	109	109	—
Poultry & eggs	100	103	108	112	122	125	130	138	144	—
All crops	71	100	108	99	101	88	105	112	109	—
Feed crops	31	108	125	119	101	63	116	113	113	—
Food grains	84	93	87	77	77	70	77	99	76	—
Oil crops	75	87	96	88	88	71	87	87	92	—
Cotton and cotton seed	68	111	113	83	127	133	103	138	140	—
Tobacco	75	89	77	58	61	69	71	83	85	—
Vegetables and melons	97	103	109	110	117	111	114	123	122	—
Fruits and nuts	100	100	99	95	109	117	111	113	105	—
Other crops	101	110	111	120	132	137	141	141	148	—
Farm input	96	98	95	92	89	87	87	89	89	—
Farm Labor	95	97	89	87	84	86	82	87	88	—
Farm real estate	92	97	97	94	91	90	91	90	89	—
Durable equipment	95	91	88	80	74	70	67	65	63	—
Energy	97	100	90	84	93	93	91	90	89	—
Agricultural chemicals	93	108	101	111	100	90	93	90	94	—
Feed, seed, and livestock purchases	99	101	108	105	101	98	99	105	104	—
Other purchased inputs	107	108	99	89	92	90	96	97	100	—
Farm output per unit of input	88	103	111	111	117	112	124	127	126	—
Output per unit of labor										
Farm 3/	88	104	118	117	123	114	131	129	127	—
Nonfarm 4/	102	105	106	108	109	110	109	109	110	114

1/ New data and methods were used to calculate the 1991 indexes and to revise them back to 1948. 2/ Preliminary. 3/ Economic Research Service.

4/ Bureau of Labor Statistics. — = not available.

Information contact: Rachel Evans (202) 219-0433

Food Supply & Use

Table 39.—Per Capita Consumption of Major Food Commodities^{1/}

Commodity	1985	1986	1987	1988	1989	1990	1991	1992	1993 P
	Pounds								
Red meats 2/3/4/	124.9	122.2	117.4	119.5	115.9	112.3	111.9	114.1	112.2
Beef	74.6	74.4	69.8	68.8	65.4	64.0	63.1	62.8	61.7
Veal	1.6	1.6	1.3	1.1	1.0	0.9	0.8	0.8	0.7
Lamb & mutton	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Pork	47.7	45.2	45.6	48.8	48.4	48.4	46.9	49.5	48.7
Poultry 2/3/4/	45.2	47.1	50.7	51.7	53.8	56.0	58.0	60.0	61.2
Chicken	36.1	37.0	39.1	39.3	40.5	42.2	43.9	45.9	47.2
Turkey	9.1	10.2	11.6	12.4	13.1	13.8	14.1	14.2	14.0
Fish & shellfish 3/	15.0	15.4	16.1	15.1	15.6	15.0	14.8	14.7	—
Eggs 4/	32.9	32.6	32.7	31.6	30.4	30.1	30.0	30.2	—
Dairy products									
Cheese (excluding cottage) 2/5/	22.5	23.1	24.1	23.7	23.8	24.6	25.0	26.0	—
American	12.2	12.1	12.4	11.5	11.0	11.1	11.1	11.3	—
Italian	6.5	7.0	7.8	8.1	8.5	9.0	9.4	10.0	—
Other cheese 6/	3.9	4.0	4.1	4.1	4.3	4.6	4.6	4.7	—
Cottage cheese	4.1	4.1	3.9	3.9	3.6	3.4	3.3	3.1	—
Beverage milks 2/	229.7	228.6	226.5	222.4	224.3	221.7	221.2	218.5	—
Fluid whole milk 7/	123.4	116.5	111.9	105.7	97.6	90.4	87.4	84.1	—
Fluid lowfat milk 8/	93.7	98.8	100.6	100.5	106.5	108.4	109.9	109.4	—
Fluid skim milk	12.6	13.5	14.0	16.1	20.2	22.8	23.9	25.0	—
Fluid cream products 9/	6.7	7.0	7.1	7.1	7.3	7.1	7.3	7.5	—
Yogurt (excluding frozen)	4.1	4.4	4.4	4.7	4.3	4.1	4.2	4.3	—
Ice cream	18.1	18.4	18.4	17.3	16.1	15.8	16.3	16.4	—
Ice milk	6.9	7.2	7.4	8.0	8.4	7.7	7.4	7.1	—
Frozen yogurt	—	—	—	—	2.0	2.8	3.5	3.1	—
All dairy products, milk equivalent, milkfat basis 10/	593.8	591.5	601.3	582.9	565.2	569.7	565.2	564.6	—
Fats & oils — Total fat content	64.3	64.4	62.9	63.0	60.4	62.2	63.8	65.6	—
Butter & margarine (product weight)	15.7	16.0	15.2	14.8	14.6	15.3	14.8	15.2	—
Shortening	22.9	22.1	21.4	21.5	21.5	22.2	22.4	22.4	—
Lard & edible tallow (direct use)	3.7	3.5	2.7	2.6	2.1	2.5	3.1	4.1	—
Salad & cooking oils	23.5	24.2	25.4	25.8	24.0	24.2	25.2	25.6	—
Fresh fruits 11/	110.6	117.4	121.6	120.7	123.1	118.8	113.2	122.7	—
Canned fruit 12/	12.7	12.9	13.6	13.3	13.3	13.5	12.3	14.4	—
Dried fruit	2.9	2.7	3.1	3.3	3.2	3.6	3.1	3.2	—
Frozen fruit	3.3	3.6	3.9	3.8	4.6	4.3	3.9	4.7	—
Selected fruit juices 13/	66.9	65.0	70.0	64.7	67.0	59.6	63.8	59.6	—
Vegetables 11/									
Fresh	103.0	100.5	107.0	111.5	115.5	113.3	110.4	109.3	—
Canning	95.1	95.6	95.1	91.2	98.7	101.7	103.4	106.3	—
Freezing	19.6	18.5	19.3	21.1	20.7	20.5	21.6	20.8	—
Potatoes, all 11/	122.4	126.0	125.9	122.5	127.1	127.8	130.8	133.5	—
Sweet potatoes 11/	5.4	4.4	4.4	4.1	4.1	4.6	4.0	4.3	—
Peanuts (shelled)	6.3	6.4	6.4	6.9	7.0	6.0	6.5	6.2	—
Tree nuts (shelled)	2.3	2.2	2.2	2.3	2.4	2.6	2.3	2.4	—
Flour & cereal products 14/	156.1	162.1	170.8	173.7	175.4	183.5	185.4	187.0	—
Wheat flour	124.7	125.7	130.0	130.0	129.6	135.8	136.5	138.3	—
Rice (milled basis)	9.0	11.6	14.0	14.3	15.2	16.2	16.8	16.8	—
Caloric sweeteners 15/	131.3	129.6	133.7	135.1	137.3	140.7	141.7	143.3	—
Coffee (green bean equiv.)	10.5	10.5	10.2	9.8	10.1	10.3	10.5	10.6	—
Cocoa (chocolate liquor equiv.)	3.7	3.8	3.8	3.8	4.0	4.3	4.6	4.6	—

1/ In pounds, retail weight unless otherwise stated. Consumption normally represents total supply minus exports, nonfood use, & ending stocks. Calendar-year data except fresh citrus fruits, peanuts, tree nuts, & rice, which are on crop-year basis. 2/ Totals may not add due to rounding. 3/ Boneless, trimmed weight. Chicken series revised to exclude amount of ready-to-cook chicken going to pet food as well as some water leakage that occurs when chicken is cut up before packaging. 4/ Excludes shipments to the U.S. territories. 5/ Whole & part-skim milk cheese. Natural equivalent of cheese & cheese products. 6/ Includes Swiss, Brick, Munster, cream, Neuchâtel, Blue, Gorgonzola, Edam, & Gouda. 7/ Plain & flavored. 8/ Plain & flavored & buttermilk. 9/ Heavy cream, light cream, half & half, & sour cream & dip. 10/ Includes condensed & evaporated milk & dry milk products. 11/ Farm weight. 12/ Excludes pineapples & berries. 13/ Single strength equivalent. 14/ Includes rye, corn, oat, & barley products. Excludes quantities used in alcoholic beverages, corn sweeteners, & fuel. 15/ Dry weight equivalent. — = not available. P = preliminary.

Information contact: Judy Jones Putnam (202) 219-0862.

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